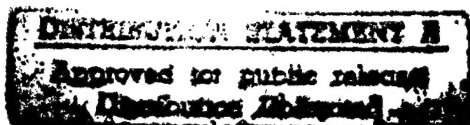


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ECONOMIC

Agricultural Deregulation To Begin

92SE0239A Jakarta SUARA KARYA in Indonesian
6 May 92 pp 1, 11

[Text] Jakarta (SUARA KARYA)—Minister of Agriculture Wardoyo says deregulation in the agricultural sector will begin in May. The first two areas to be affected by deregulation are estates and animal husbandry.

"The agricultural deregulation that we will implement before June will mostly involve investment activities. There will be no reduction of import duties and no review of marketing. The subject of commodities for which imports and domestic marketing are handled by BULOG [Logistics Bureau] is to be discussed today with other agencies involved," Wardoyo said Tuesday [5 May] after an installation of directors for BUMN's [state-owned business enterprises] in the sphere of the Department of Agriculture.

Wardoyo said that HGU's (business use rights), which potential investors, both domestic and foreign, have much complained about, should also be deregulated in the sense of extending their time limits. Also, 100 percent PMA [foreign capital investment] businesses should be allowed to operate in Indonesia. Final decision will be made today on whether to extend HGU's from 25 to 30 years.

Breeding and Green Tea

"Through this deregulation, certain businesses in animal husbandry and estates that originally were on the Investment Negative List (DNI) will be opened to foreign and domestic investment," the minister said. The officials he installed were R. Karjoso Gondodiprodjo, principal director of PTP [Estate Corporation] XV-XVI; Soeponohardjo, B.Sc., S.E. [Bachelor of Economics], and Drs. Adyarto Mochtar, director of production and director of finance and administration, respectively, of PTP XV-XVI; and Basuki Adjibrata, director of production of PTP XXIV-XXV.

The minister said that several areas of business have been for smallholders only and have been closed to companies, whether PMDN [domestic capital investment]/PMA or not. Under deregulation, this policy will be reconsidered.

In animal husbandry, pure line breeding of chickens and grand parent stock breeding are among the sectors that have been closed to companies. The one area of business now open is vaccine production. Because the two existing companies have been unable to meet the domestic demand for vaccines, imports have been necessary.

In the estates sector, the production of green tea is an area that was formerly limited to smallholders but is now open to private companies, especially for investments in tea processing.

The green tea processing business is being opened, Wardoyo said, because of the increased demand for the commodity on international markets and Indonesia's inability to meet the demand with merely smallholder production. "We hope that private business will work with smallholders," he said.

HGU's Discussed

The HGU's of existing foreign estate companies will expire in 1997 and 1998. Some of them have begun to apply for HGU extensions based on intention to rehabilitate their estates. Because the applications have collided with government regulations, however, the companies have not been able to get their extensions.

Government regulations embodied in Presidential Decree No. 23 of 1967 provide that new companies owning HGU's must be in the form of joint ventures, which means that the HGU's must be held by partners in Indonesian companies. "The problem is that many foreign estates in Indonesia were founded long before Presidential Decree No. 23, which means it is not clear how to extend their HGU's," said Wardoyo, who stressed that the matter will be discussed further.

Banker Says Interest Rates Too High

92SE0239B Jakarta SUARA KARYA in Indonesian
6 May 92 pp 1, 11

[Text] Anthony Salim, famous businessman and president director of the Salim Group, has officially resigned from his post as commissioner at Lippobank.

This took place Tuesday [5 May] at the Lippobank general meeting of stockholders and was announced to the press by Lippobank Managing Director Laksamana Sukardi. He was accompanied by Lippobank Deputy President Directors Bachrun Sastroredjo and Nico Krismanto.

Laksamana Sukardi said the step taken by Anthony Salim is not because of "something" between Lippobank and the son of Sudono Salim, the nation's top business mogul. "Anthony Salim says he is merely too busy. Perhaps he feels uncomfortable because he can never attend a meeting and therefore chooses to resign," Laksamana said.

Anthony Salim submitted his resignation just before the stockholder meeting. He owns 3.16 percent of Lippobank's capital stock, and his father, Sudono Salim, or Liem Sui Liong, owns 4.21 percent of the bank's stock.

Factors

Speaking of current banking conditions, Laksamana Sukardi said there are many reasons why banks are reluctant to reduce interest rates. For one, real interest rates in Indonesia are much higher than rates overseas. Laksamana says he is astonished that Indonesians prefer to deposit their money abroad, especially in Singapore. He sees several factors in this, such as confidence,

convenience, and the political situation. "The government and the banks must eliminate these factors," he stated.

Liquidity Tap

He feels another factor is that the banking market itself is inefficient. There are still many banks that merely copy others and lack specialization. The result is that all go in the same direction. "When SBI [Bank Indonesia Certificate] interest goes up, all the banks raise their rates; but when SBI rates go down, no one wants to lower his," Laksamana said.

Lower interest rates have a close connection with liquidity conditions. Noting that for the last year the government (Bank Indonesia) has constantly stressed that there is liquidity and that things are sluggish only at the banks, Laksamana feels the government is half-hearted in opening the liquidity tap. "If they want to open the tap, they should open it wide rather than just a little," he said.

Since there is no clear mechanism or standard for effective efforts to bring down bank interest rates, Laksamana offers his own simple recipe. "Pak Marlin [Minister of Finance Sumarlin] should have someone phone the banks and tell them to lower rates. Who would dare to refuse? That would be persuasion, not governmental intervention," Laksamana said.

Laksamana does not agree with the tolerance Bank of Indonesia shows to banks to enable them to achieve a CAR [capital adequacy ratio] of 4.25 percent. He is also sure that banks will not take good advantage of that tolerance. "If our secondary money market is growing well, the CAR standard will not need to be reduced further. Banks overseas find it easy to add capital, because of the growth of the secondary market as an alternative source," he said. Although the CAR is an important requirement for bank health, no bank has ever gone into bankruptcy because of not meeting a CAR standard. Lippobank itself, which has a CAR of 5.65, is not in a hurry to lower the figure, since it must protect its credibility in international circles.

The stockholder meeting this time approved a cash dividend for stockholders of 23.58 percent of 1991 net profits. Each share will receive a dividend of 110 rupiah. The meeting also approved giving bonus shares from stock reserves to stockholders. Lippobank President Director Markus Parmadi said that while other banks have been suffering declining profits, Lippobank had a 23 percent increase in profits in 1991. The funds it collected from the public rose by 30 percent and reached 2.46 trillion rupiah by December 1991. Because small savings accounts make up 42 percent of the bank's deposits, it is not sensitive to monetary issues. Lippo targets a 20 percent annual profit growth each year. In an effort to reach a CAR of 7 by March 1993, Lippo is inviting foreign investors to buy its stock.

**Atmospherics of SRV Journalist Group Visit
Noted**

92SE0245C Vientiane PASASON in Lao 22 Apr 92 p 3

[Article by Thanphilom: "A Social Visit and Working Together for Fruitful Cooperation"]

[Text] It was customary especially during the time when the socialist countries provided subsidies that guests went to Thailand then came here and were taken to see the beautiful sights and afterwards went to the conference table to sign an agreement for cooperation and have a big celebration. But in general it was never checked to see how well these agreements were carried out.

If they concerned tangible production which could not be accomplished, then it was felt that there was no benefit to society. But if they concerned intangible production, they were important because they indirectly affected every area of development. This was a problem which required a great deal of effort. As Mr. Somlat Chanthamat, a member of the Politburo of the party Central Committee and head of the Committee for Propaganda and Training of the party Central Committee, said in greeting the representatives of the Vietnamese Correspondents' Association led by Mr. Fan Kwang, the secretary-general of the Vietnamese Broadcasters' Association, the mass media were a critical area for our socialist system because the mass media introduced the lines and policies of the party and state to the people and also illuminated the truth and the needs and expectations of the people for the leadership. If the media could not do this well, it would affect other areas. The reality of the work done by the media now is that there is not enough news, and coverage is not broad enough. The media have not changed with the times. We must change this.

In this spirit the correspondents' associations of Laos and Vietnam together decided that they would do their utmost to carry out their revolutionary duty. The goal was to bring well-being to the people. And cooperation meant exchanging ideas in their field; it did not mean just pro forma cooperation or mutual subsidies. These were the goals the combatants with pens of our two countries agreed to strive for.

The representatives of the Vietnamese newspapers were pleased because in addition to working with the Lao side they also learned about our beautiful customs, saw beautiful temples which had been decorated for the Lao New Year, and visited various production areas.

In any case it is certain that during this visit there were many things which we could not complete, but this was not what we had wanted. Mr. Bouaban Vilakhoun, the acting chairman of the Lao Correspondents' Association and deputy head of the Committee for Propaganda and Training of the party Central Committee, said during the departure ceremony for the Vietnamese representatives that what was most important were the agreements and the accomplishments.

From the period of the struggle for national salvation to the present period of preserving and building the country, the special friendship and cooperation between Laos and Vietnam has always been the essential basis for defense and growth.

Commentator Views Khmer Rouge, Genocide

92SE0245B Vientiane PASASON in Lao
18 Apr 92 pp 2, 3

[Article by Viset Savengsuksa: "The Genocidal Regime—An Obstacle to Peace"]

[Text] When Mr. Khieu Samphan, the leader of the Khmer Rouge, was assaulted by the people in Phnom Penh recently, the mass media throughout the world criticized this in various ways. For example they were concerned about the future of peace in Cambodia, which had just gotten under way. But the mass media were united in the view that in comparison with the brutality of the Khmer Rouge toward the Cambodian people, this incident involving the head of the Khmer Rouge was not even equivalent to losing a strand of hair, or it might be like "balancing an elephant with a cat."

As for the Cambodian people who experienced this genocidal regime, the name "Khmer Rouge" refers to a nightmare which will never be erased from their memory. But for the sake of national reconciliation and in the spirit of the Paris conference on the Cambodian problem, the peace-loving Cambodians restrained themselves. But this restraint did not mean that they would accept the return of a genocidal regime in Cambodia.

I went to visit the "Cheuang Ek" communal grave and the "Touansaleng" prison twice when I was on business in Cambodia and recommend that the readers visit there also to see the frightful sights that I have seen. These two memorials to the suffering there will be preserved as a warning so that future generations will be aware of the brutality of the genocidal regime which is still an obstacle to peace.

This regime arose out of nationalism (isolationism), xenophobia, religion, tribalism, and a group with a different ideal. This ideology was nurtured and grew until it had sufficient strength to wipe out the opposition. In past decades there were many crimes of genocide under various conditions. The frightful image of a genocidal regime appeared in Germany during the Second World War. The German fascists exterminated more than 9 million Jews. They used gas, chemical bombs and various poisons to exterminate people in the countries they seized such as the Soviet Union and Poland etc. In Indo-China during the war of the foreign invasion the peoples of Laos, Vietnam and Cambodia suffered acts of extermination.

Because of the appearance of genocidal regimes which threatened humanity, on 11 December 1946 the United Nations voted to adopt Resolution No. 96 which made genocide a violation of international law. On 12 January

1951 an international treaty concerning the punishment of genocide was put into effect. At present 104 countries have agreed to this treaty, and it has become a definitive international law preventing and resisting genocidal regimes.

In any case the disagreements and threats caused by the wars which are spreading throughout various sections of the world could bring about other genocidal regimes. Every armed attack whose purpose is to destroy non-military targets and every delusion which poisons and destroys lives could also be considered genocide.

Preventing genocide is the responsibility of the international community according to the spirit of the treaties concerning genocide. It is only in an atmosphere of peace that the goal of this struggle can be accomplished.

Senior MADC Officials Discuss Operations, Budget

92SE0245A Vientiane PASASON in Lao 7 Apr 92 p 2

[Report by Manisai: "The Hmong Ask for Development"]

[Text] As a result of the many new projects to develop the countryside in many areas of our country, for example the project to build a small town at kilometer marker 20 in Khamkeut District of Bolikhamxai Province, the beginning of land clearing and development by the Mountain Area Development Corporation [MADC] of the Ministry of Defense, and the expansion of the fixed economic base of more than 100 Hmong families in Ban Thongpe Village, it can now be seen that the people's lives and living standards in every area are clearly better than they were. For example at kilometer marker 20, beautiful houses have been built; there is a market, a hotel, an airfield built according to standards, and a processing factory; and there is electricity to

provide lighting for the people. At Ban Thongpe Village the Hmong are expanding their production: There are more than 70 hectares of wet-field rice which is irrigated, there is a drive to expand raising both large and small animals, starchy crops are being raised, commercial crops such as coffee, etc. are being cultivated on 10 hectares, and there are other activities which help improve the lives of the people.

Dr. Maidon, the deputy director of the MADC; and the deputy minister of agriculture and forestry, Mr. Khamouan Bouppha, told me that the pace of the development of our nation's countryside in the past and now was directly affecting the lives of the multiethnic people living in the mountains. For example more than 2,000 Hmong families living in Mok Mai District of Xieng Khouang Province and the Hmong in the area of the Nam Hon River in Feuang District of Vientiane Province are interested in and have requested the government to provide the investment to arrange fixed occupations for them. In this regard the Hmong of Mok Mai District have built a production base in the area of the Nam La River next to Pha Thong District of Bolikhamxai Province. The area of wet-field rice in this production base has been expanded by more than 700 hectares. In the area of the Nam Hon River in Feuang District of Vientiane Province 300 Hmong families cleared 400 hectares for wet-field rice two or three years ago, but this still has not produced results because there have not been sufficient funds or responsible cadres.

Therefore in the future attention will be paid to the problem of funding the new construction in the countryside to expand the production of the people. The government has approved 1 billion 600 million kip to develop the countryside in the mountains in 1992. Nevertheless when one speaks of developing the countryside, funds alone are not enough—every service of the government and localities should also have an interest in and should actively join in the development.

POLITICAL

Chawalit Ally Prasoe Sapsunthon Views Protest

92SE0255D Bangkok BAN MUANG in Thai
26 May 92 p 3

[Excerpt] [passage omitted] Mr. Prasoe Sapsunthon talked about the various charges that were made during the democracy crisis. He said that these events stemmed from a conflict or struggle within the parliamentary dictatorship, or constitutional movement, particularly between the five-party faction and the four-party faction. Regardless of who wins or who loses, the result will be the same. That is, Thailand will continue to be controlled by a parliamentary dictatorship. He is part of the democratic movement, which is trying to build democracy, and so he isn't involved in this type of conflict or struggle. He would like to see the two factions change from a parliamentary dictatorship, or constitutional movement, to a democratic movement in order to end the struggle, work together to build democracy, and bring political stability to the country.

He issued a statement in October 1990 on building a democratic form of administration. One of the main questions is whether the people will choose a parliamentary dictatorship or a democratic form of government in accord with the policy of King Rama 7. In the latter system, sovereign power belongs to the masses, and people have absolute rights in line with the example of other democratic countries. The king's policy was on the verge of being implemented, but then this came to an end in 1932. Now that he has issued this statement, the only thing that he can do is wait and see what public opinion will be.

Most or some of the people who want democracy and who have become involved in this struggle are still dominated by the parliamentary dictatorship line or constitutional line of the old-style political parties. But they are moving away from that line, with more and more turning to the democratic line.

It's not true, as some have said, that he was involved with the Central Committee of the Communist Party of Thailand. Also, a statement made by General Chawalit Yongchaiyut in the press referred to him. But he asked about that and was informed that Gen. Chawalit had not mentioned him.

Some newspapers printed an interview that he had [apparently] given. But he said that he did not grant an interview to the press during that period.

People have also pointed a finger at him regarding the matter of the National Revolutionary Council or Joke Council, and the matter of a presidium. He said that he would explain this on another occasion. [passage omitted]

General Critiques Military Role in Demonstrations

92SE0262B Bangkok NAEON in Thai
27 May 92 pp 1, 2

[Excerpt] [passage omitted] General Athit Kamlang-ek, the chief adviser to the Justice Unity Party and former RTA CINC [Royal Thai Army Commander in Chief] and supreme commander, expressed disagreement with the Amnesty Act. He said that those responsible for actually shooting the people and those who gave the orders should be prosecuted in accord with the law.

"I don't think that this has come to an end. It can't end. Because people were killed, there must be an investigation," said Gen. Athit after a party meeting on 26 May. "We have criminal laws. If people have committed a crime, they must be tried for those crimes. Officials must be subject to the law just like other people. If someone does something wrong, he must be tried in accord with the law. Those who fired the shots and those who gave the orders must be prosecuted."

Gen. Athit said that a committee should be formed to consider this matter. But this may have to wait until after a new government is formed and there is a new prime minister and minister of defense. There must be a committee to investigate what actually happened. He said that he doesn't know if the soldiers there overreacted, because he was not there. All he knows is what he saw on video tape and television. Thus, he thinks that a committee should be formed. As for the demands for the resignations of the soldiers concerned, such as Air Chief Marshal Kaset Rotchananin, the RTAF [Royal Thai Air Force] CINC and supreme commander, Gen. Isaraphong Nunphakdi, the RTA CINC, and Lieutenant Gen. Chainarong Nunphakdi, the commander of the 1st Army Region, he said that this is something that must be investigated. An investigation must be conducted to see which officials gave the orders, because orders were given at various times. It depends on when the orders to take action were given and why those orders were issued. This must be clarified.

The former RTA CINC said that he served as Army commander for four years, and during that period, nothing like this ever happened. Everyone is saddened by what happened. He established the Bangkok Peace-keeping Force during the time that he was RTA CINC. He established this force in order to protect the lives and property of the people and to monitor terrorists and arrest saboteurs and airplane hijackers. This force was composed of experts only. He is upset that this force was used for purposes never intended.

Gen. Athit said that recent events have seriously tarnished the military's image. Steps should be taken to solve this problem. He has been informed that a sergeant who was not involved and who was walking along the street in uniform was stabbed to death in the wake of these terrible events. This shows that the people have lost confidence in the military. However, he said that the

people should realize that only a small number of soldiers acted wrongly. Most soldiers are good. Soldiers must be patient and try to improve their image and regain the trust of the people.

A reporter said that today, the military seems to be under the control of two-three families. Gen. Athit said that he doesn't agree with that. There are many good soldiers. They must serve the country and people. When asked about sending soldiers to disperse the demonstration, Gen. Athit said that whenever there is violence, soldiers must be sent there. But soldiers should not be sent unless there is fighting. A demonstration is not a battle. [passage omitted]

Civil Servants, Provincial Areas React to Killings

92SE0257A Bangkok DAILY NEWS in Thai
23 May 92 pp 1, 9, 19, 23

[Excerpts] [passage omitted] As for the activities of professors, students, teachers, instructors, academics, doctors, nurses, civil servants, and other people aimed at getting the government and military to take responsibility for the barbaric suppression of those who were calling for democracy, government officials in the Office of the Prime Minister, Ministry Agriculture and Cooperatives, Ministry of Interior, Ministry of Public Health, Ministry of Education, the Office of University Affairs, and the Office of the Civil Service Commission have, in the name of government officials who oppose dictatorship, issued a statement and begun wearing black clothing as a sign of mourning.

This statement can be summarized as follows: Civil servants, whose salaries are paid from the taxes collected from the people, cannot sit by idly and work for the murderous government headed by General Suchinda. They are filled with humanitarian feelings for those innocent people who gave their lives for democracy. Thus, they are urging civil servants nationwide to do the following: (1) Condemn the barbaric acts committed by the head of this government. Gen. Suchinda should take responsibility and resign his position as prime minister. (2) Civil servants nationwide should wear mourning clothes until the objectives of those who sacrificed their lives have been achieved. (3) Civil servants in the ministries, bureaus, departments, and the Office of the Prime Minister should send representatives to lay wreaths for the ministers and deputy ministers in those ministries. They should not cooperate with these people in any way except if it benefits the people and nation. (4) They should support having those concerned quickly conduct an investigation and punish those behind this atrocity committed against the people. Most civil servants have affirmed that they are on the side of justice and will stand side by side with the people. They will not serve a despot or his underlings.

A reporter reported that some civil servants in the Office of the Secretary General to the Prime Minister, which is a unit that works closely with the prime minister, the deputy prime minister, and the minister attached to the

Office of the Prime Minister, have begun wearing mourning clothes. However, almost all officials in the Political and Foreign Affairs Division are wearing black. Besides this, people are holding informal discussions about wearing black on Monday, 25 May. As for Tuesday, 26 May, which is the day that the cabinet meets, unofficial reports state that officials whose work has to do with cabinet meetings will take the day off in order to protest the government's barbaric suppression of the people.

A report from the Ministry of Public Health stated that public health ministry officials, particularly a number of doctors and nurses, have been wearing black clothing. Some people have been wearing black arm bands, and others have been wearing black ties or gray ties with black stripes to work. Some people are criticizing politics and attacking Gen. Suchinda. And some have gone to Ratchadamnoen Avenue to observe things and criticize the military. People have said that the number of deaths cited by Dr. Uthai Sutsuk, the under secretary of public health, who has put the death toll at approximately 40, is much too low.

The report also stated that during the demonstration, doctors and nurses from provinces throughout the country constantly sent telegrams opposing the use of force to the emergency center of the Ministry of Public Health. In the provinces, doctors and nurses are still voicing their unhappiness over what happened. [passage omitted]

A report from the Ministry of Finance revealed that on 22 May, about 1,000 Finance Ministry officials signed a letter calling for Gen. Suchinda Khrapayun to step down as prime minister. Also, they, too, plan to wear mourning clothes on Monday, 25 May, which is the day that the House of Representatives will convene. Copies of this letter were sent to the prime minister, the president of parliament, the speaker of the House of Representatives, and the leaders of all the political parties concerned.

The bloody events that occurred under the administration of the present government and that have resulted in the deaths of many people have resulted in Thailand being condemned by countries around the world. These events have affected our international relations, and the country's economy has suffered untold damage. As civil servants, these people feel that the country's economic and social situation and the quality of life here has declined greatly. If Gen. Suchinda and his clique continue to lead and administer the country, Thailand will certainly suffer even greater losses, and there may be national unrest. Gen. Suchinda, the prime minister, should take responsibility and resign immediately in order to solve the present problems and those that may arise in the future.

A reporter stated that at 1330 hours, about 20 officials from the Ministry of Commerce who are alumni of the Faculty of Economics, Thammasat University, signed a

letter sent to MR [royal title] Pridiyathon Thewakun, the deputy minister of commerce, who is an alumnus of Thammasat University, too. The letter called on him to review his position as a member of the cabinet. These officials waited to meet with MR Pridiyathon for 30 minutes, but the deputy minister of commerce did not come to his office at the ministry. Thus, they left the letter with his clerk.

Mr. Suphakit Nimmannorathep, an auditor with the Ministry of Commerce, said that he did not sign this protest letter in his capacity as a government official but in his capacity as a fellow classmate of the deputy minister of commerce. He said that he and the others are not trying to pressure the deputy minister of commerce to resign. All they want to do is express their views and have him reconsider things. He is of royal descent and he is highly respected by other alumni and so they wouldn't dare make any demands or exert pressure on him.

Before receiving the letter from the members of the Thammasat Alumni Association, MR Pridiyathon Thewakun said that he didn't know who these people were or what their purpose was. Before he accepted this position, he talked with people around him, who told him that there weren't any problems and that he could serve the country. He has asked to be responsible for the work of units that do not profit in any way. As for people calling on him to resign, he said that what he would like to ask is, if he does resign, will that make things better? Before he accepted this position, he considered matters very carefully. No one pressured him. Thus, if he does resign, he will make the decision on his own. He will not allow himself to become the tool of anyone.

The reporter stated that most recently, a Grade 5 official subordinate to the Department of Foreign Trade, Ministry of Commerce, who is an alumnus of the Faculty of Economics, Thammasat University, submitted his resignation in order to protest the fact that MR Pridiyathon has refused to resign his position as deputy minister of commerce.

That same evening at the Democracy Monument, almost 100 groups of public and private people who support democracy, with each group numbering approximately 100-200 people, came to pay their respects and lay wreathes in memory of the large number of people who had sacrificed their lives for democracy. The reporter reported that a group of students distributed paper flags to those who had come to pay their respects to the dead. However, because so many people filled the area, traffic on Ratchadamnoen Avenue came to a standstill again.

In his capacity as the head of the public relations section of the Primary School Teachers Association of Thailand, Mr. Bunchuai Thongsi, the vice president of the Southern Teachers Federation, said that several teachers organizations are now participating in the democracy movement. After watching the activities of the government, it has become clear that this government is not sincere about solving the problems. It is just threatening

and killing people. Thus, on 24 May, the teachers association, which is composed of more than 300,000 primary school teachers nationwide, will take the lead in holding a meeting of teachers from various organizations in order to determine ways to wage a political struggle. He said that he thinks that teachers will definitely decide to call a strike.

Mr. Bunchuai said that the strike must be carried out in stages. That is, at the meeting on 24 May, the teachers' representatives from the various organizations and regions will be told what the objectives are. From the standpoint of the teaching profession, one purpose of the strike will be to review the democratic curriculum. Also, this must be carried in a responsible manner. The days missed must be made up later.

"All teachers' organizations feel that they have predicted things incorrectly. They thought that doing good would generate good. But from now on, we can no longer sit by idly," said Mr. Bunchuai. He added that at present, many people feel that the country is splitting apart. But he thinks that there is great solidarity in the country. Almost everyone supports democracy. Only some parts of the government apparatus are at odds with the people.

Mr. Bunchuai said that he does not believe that the people are interested in revising the Constitution. What they want is for Gen. Suchinda to resign, because there is blood on his hands. He said that personally, he does not agree with granting amnesty, because there are still questions about who actually issued the order to kill these people. And the killers should be punished. They must be charged for their crimes. This must not be allowed to become just a footnote in history. If amnesty is granted, this will be a matter of covering up the crimes of both sides rather than a matter of granting amnesty.

At 1400 hours at the Ministry of Foreign Affairs, more than 400 foreign affairs officials dressed in mourning clothes assembled at the Wang Saranrom building. They were led by Mrs. Nuanphan Mahakhun, the director of the Broadcasting Division, who read an open letter to Mr. Pongphon Adireksan, the minister of foreign affairs. The letter said that the barbaric suppression of people who were demonstrating for democracy that occurred in Bangkok during the period 17-20 May resulted in the deaths of many people and tarnished Thailand's image in the eyes of the civilized countries. As foreign affairs officials, they feel that they must express their views, which is one of their fundamental rights as Thais. The letter said that they wanted to express their feelings and views as follows:

First, they are terribly saddened by what happened to those innocent people, and they condemn the violent actions taken to solve the problems between Thais. Mrs. Nuanphan said that they support taking action in accord with the promises made to the people by the prime minister. The Constitution should be revised as quickly as possible in accord with the remarks made by the king. Thus, they have asked the minister of foreign affairs to

urge the cabinet and political parties to cooperate in revising the Constitution in order to have a perfect democracy.

Mrs. Nuanphan said that a committee to investigate these terrible events should be established as soon as possible. This committee should be neutral and conduct a fair investigation so that the results of the investigation are accurate and fair. This will help restore the country's tarnished reputation. Because if the facts remain unclear or are concealed, the activities carried on by the foreign affairs ministry will not be respected or benefit the country. Also, the people responsible should take responsibility for the lives and property lost in order to restore Thailand's reputation in the international community and to prevent such unsettling events from happening again.

After Mrs. Nuanphan finished speaking, the foreign affairs officials there gave her a long round of applause. Mr. Pongphon promised to act in accord with the proposals and expressed the intention of donating money to the ministry fund set up to help those who suffered losses during the recent events. [passage omitted]

Dr. Withun Saengsingkaeo, the director-general of the Medical Department, expressed his views on the matter of doctors and nurses voicing their protest against the government by wearing mourning clothes. He said that that is their right. As for the matter of doctors and nurses protesting by refusing to treat soldiers and policemen, as far as the more than 30 hospitals subordinate to the Medical Department are concerned, so far there haven't been any reports of people being refused treatment. In particular, in Bangkok, doctors and nurses are on duty 24 hours a day at such hospitals as the Rachawithi Hospital, the Monks' Hospital, the Loetsin Hospital, the Prasat Hospital, the Nopparat Ratchathani Hospital, and the Children's Hospital. Besides this, there have not been any reports of people being refused treatment at any of the provincial hospitals.

The Pediatricians' Association of Thailand has issued a statement about these events, too. It stated that what happened is unacceptable in terms of human rights and called for a stop to the use of war weapons and violent suppression of people, which is destroying the morale of the people and setting a bad example for the youth of the nation. It asked the government to help those who have been injured physically or mentally. The government should take responsibility for providing them with urgent and continuing medical treatment. The government should remember that doctors and nurses have a duty to help the injured instead of preventing them from helping these people. [passage omitted]

The aerial spearhead forces, the thahan phran irregulars, who are soldiers, too, said that they are depressed by what happened and feel ashamed about the loss of life and property and about the fact that the reputation of Thai soldiers has sunk so low. Thus, this group is calling

for the resignation of Gen. Suchinda Khraprayun and the military leaders concerned. As Thai soldiers, they want the Bangkok peacekeeping force to be disbanded immediately. The time has come for Gen. Suchinda to make a sacrifice for the country by resigning his position, because the country is collapsing because of Gen. Suchinda and his classmates. Using war weapons to kill civilians was the act of cold-blooded killers in uniform. The time has come for soldiers at all levels to return to their units and carry out their duty of defending the sovereignty and territory of the nation. Because today, foreign forces are violating our national sovereignty, destroying property, and killing Thai people without regard to the prestige of the Thai military. The Thai military has a duty to defend the nation's sovereignty. It is not the base of support of certain people in order to keep them in power in Thailand. [passage omitted]

The Student Association at the Surat Thani Teachers College said that it is very sad that weapons and forces were used to threaten and kill a large number of innocent people. It called on people to condemn the actions of the government, which has used force to savagely suppress the people. Gen. Suchinda Khraprayun should resign his position as prime minister, and the five political parties should fulfill their promise to revise the Constitution.

That same day, the rural doctors association, the hospital development association of the general hospital center, hospital pharmacists, and several other medical associations issued similar statements. They called on Gen. Suchinda to resign his position as prime minister in order to take responsibility for the bloody events that occurred. They also called on people to protest the government by wearing mourning clothes or to wear a black arm band in order to show respect to those who were killed. They also demanded that the government disseminate accurate information to the people.

The postgraduate social technology association and the faculty and officials of the institute issued a statement concerning the recent events. They said that the prime minister must take responsibility for what happened, and the Constitution must be revised to require an elected prime minister. The power of the senators must be reduced to that of discussing the laws only. The speaker of the House must be the president of parliament, and there must not be any provisional articles in the revised constitution.

Faculty members at Sukhothai Thammathirat University issued a statement calling on MPs to consider their prestige and their duty to the people. They called on the MPs in the government parties to come forward and make it clear that they will no longer support Gen. Suchinda as prime minister. They also called on all MPs to take action in accord with parliamentary measures in order to have the government conduct an investigation and punish those people who used their state power to order the killing of innocent people. They also asked all MPs to resign in order to dissolve parliament and hold a new election.

Chamber of Commerce University instructors and officials issued a similar statement. They condemned the government for using war weapons to kill people and called on Gen. Suchinda to resign. They also demanded that the Constitution be revised, without any provisional articles. In order to show the barbarity and inhumanity of what happened, instructors and officials will wear mourning clothes in order to win public support. [passage omitted]

Teachers, instructors, civil servants, merchants, and other people in Dan Chang District, Suphanburi Province, signed a letter calling on Mr. Banhan Sinlapa-acha, an MP from Suphanburi and the secretary general of the Thai Nation Party and minister of communications, to support revising the Constitution. They called on him to withdraw from this illegal government and asked that the government take responsibility for the losses by resigning. [passage omitted]

Mr. Sunthon Manisawat, an instructor with the Faculty of Law, Sukhothai Thammathirat University, stated that the law faculties at four universities, that is, Sukhothai Thammathirat University, Thammasat University, Ramkhamhaeng University, and Chulalongkon University, agree that the government should not pass an amnesty act. Those who were calling for democracy were holding a lawful demonstration. This is a basic right. They were not doing anything illegal. Thus, there is no need to pass an amnesty act. The only result of that will be to enable those responsible for suppressing the people to avoid punishment. Thus, they criticized those lawyers who are thinking of promulgating this law. This is a disgraceful abuse of their profession. [passage omitted]

At the Thepsatri Teachers College in Lopburi Province, there have been reports that instructors plan to submit a letter to the rector asking that the school not accept students who are soldiers. And they object to allowing the children of soldiers to continue studying at the school. This is because they detest those soldiers who used weapons to kill people in an effort to disband the mob. Mr. Sombun Snguanay, the rector, said that he is aware of this and has been informed that they are voicing their opinions. He just received this letter but can't do what they want. The college would like to inform people that it will remain open and provide instruction as usual. The college will coordinate things with military officials and try to promote better understanding.

Colonel Chatri Sukhantharat, the director of the "KRO. NSS.," said that he understands the feelings of the people when they see soldiers wearing red hats, whom they believe to be paratroopers. Actually, special warfare units were ordered to serve as reserve units at the Chulachomklao Royal Military Academy. They were supposed to move about in plainclothes and gather information and wear camouflage helmets. It was men from other units who were wearing red hats. At the same time, members of the Federation of Those Who Love Justice distributed leaflets asking people to participate in

donating food to monks on the morning of 23 May in memory of those who were killed during the demonstration for democracy.

In Nakhon Pathom Province, doctors and nurses are reacting to the actions taken by the government, which resulted in a large number of people being injured or killed during the demonstration. People were asked to sign a letter to be submitted to Mr. Prawet Totrakun, the governor of Nakhon Pathom Province. About 1,000 people signed the letter, which delegates then took and submitted. It asked the government to take responsibility and find and punish those who had committed crimes. As for providing medical treatment, everything is normal. Besides this, doctors and nurses plan to wear mourning clothes until justice is done.

In Kalasin Province, Dr. Yingsak Sithong, the Kalasin provincial public health officer, Dr. Akhondet Phensiri, the director of the Kalasin Hospital, and the directors of 13 district hospitals and one branch district hospital and nurses, medical officials, and provincial public health officials, who were wearing mourning clothes in memory of those who were killed, submitted a letter to Major Daoruang Nicharat, the governor of Kalasin Province. The letter demanded that Gen. Suchinda, the prime minister, take responsibility for the violence and immediately announce an end to the emergency. It also demanded that the Constitution be revised in accord with the wishes of the Thai people and that the press be allowed to report the news freely. On this occasion, a video tape showing what had happened was also turned over to the governor. After that, the people left.

In Buriram Province, at 1300 hours that same day, approximately 3,000 teachers from 14 districts and two branch districts throughout the province assembled at the gym on the campus of the Buriram Teachers College. They watched a video tape on the bloody events that had occurred. Then, at 1500 hours they staged a march, with about 100 teachers holding signs. The marchers were followed by people on 500 motorcycles and another 200 cars and pickup trucks. All of the vehicles had their lights on and blew their horns. During the march, it rained very hard, as if the rain wanted to pay its respects, too. The people marched along various streets in the city, and people stood on both sides of the street to watch. [passage omitted]

After that, various people made speeches. Phra Prachak Khuttuchitto, the abbot of Wat Hua Kut in Pakham District and the representative of the Action Committee for Democracy, and Mr. Philuk Saengsai, a lawyer, said that Gen. Suchinda should be driven from office and that he must take responsibility for those who were killed and injured. They also demanded that Gen. Suchinda be made to stand trial. After that, Mr. Prakrit Phonladet, a Thai Nation Party MP from Buriram Province, said that Gen. Suchinda and four others must resign their positions. Because as long as they remain in power, the country will not have a democratic Constitution. He said

that he had to say this even though he knows that by doing so he is rebelling against his own party.

The teachers present at the gathering told the reporter that they will not stop teaching. But on school days, they will wear mourning clothes, and they will ask students to cooperate, too. Before starting class, they will pay their respects to the victims. Tomorrow, teachers will probably hold another meeting.

In Phitsanulok Province, a reporter monitored activities around the city and found many leaflets in various public places such as at the central sports stadium, Naresuan University, and various government buildings. The leaflets used very crude language and condemned the actions of Gen. Suchinda. They cited the number of people killed, which is something that the people have been talking about a lot. These leaflets also called on people to unite in a struggle against dictatorship and demanded that Gen. Suchinda resign.

In Phichit Province, the Group for Democracy, which is composed of doctors, nurses, teachers, merchants, businessmen, politicians, lawyers, developers, private organizations, and so on, issued a statement to the people of Phichit Province. The statement called on the people to support the demand that Gen Suchinda resign, that the constitution be revised to require an elected prime minister, and that the speaker of the House be the president of parliament. And finally, they demanded that the Senate have the power only to review the bills and that those who ordered the suppression of the people be tried in accord with the law. Besides this, at 1000 hours on 24 May, offerings will be made in memory of those who were killed while demonstrating for democracy. This ceremony will be held at Wat Tha Luang in Muang District, Phichit Province.

A reporter reported that that morning, the Lopburi Federation of those Who Love Justice, which is composed of people from various professions, including teachers, lawyers, doctors, nurses, subdistrict chiefs, village headmen, merchants, and members of the mass media, will make offerings of dried food in memory of those who died calling for democracy and for a Constitution that requires an elected prime minister. This ceremony will be held in the Suan Ratchanuson area in Muang District, Lopburi Province. Mr. Wichian Pao-in, the governor of Lopburi Province, will be asked to preside at the ceremony. Phra Phutthaworayan will be asked to come and speak. At 1300 hours that day, the Democratic Association will hold a debate. It will invite five MPs from Lopburi to come and talk about what has happened and discuss ways to solve the problems. This will take place in the auditorium of the Thepsatri Teachers College.

Commerce Ministry Officials Seek Suchinda Ouster

92SE0255B Bangkok DAO SIAM in Thai
23 May 92 pp 1, 8

[Excerpt] [passage omitted] A report from the Ministry of Commerce stated that at approximately 1330 hours on 22 May, approximately 100 grade 7-8 officials, which is the level of section heads and division chiefs, from the Office of the Under Secretary of Commerce, Department of Trade Registration, Department of Internal Trade, Department of Foreign Trade, and Department of Business Economics gathered on the lower floor at the Office of the Under Secretary of Commerce. About 30 representatives were selected to go to the third floor to submit a letter to MR [royal title] Pridiyathon Thewakun, the deputy minister of commerce.

The letter stated that during the period 17-20 May 1992, the government of General Suchinda Khraprayun sent armed forces to suppress and kill the people who were peacefully demonstrating for democracy. The alumni association of the Faculty of Economics, Thammasat University, feels that this action was the action of an immoral beast. This did untold damage to the country's economy, the country's reputation in the world community, and the quality of life of the people.

Thus, they felt that MR Pridiyathon should stop supporting this government. And as an alumnus of Thammasat University who adheres to the principle of peace and public morality, they asked him to reconsider his position as a minister in this government in order to set an example for the people and clearly announce the position of Thammasat University alumni, who love justice.

The report stated that about 18 of the Commerce Ministry officials who submitted this letter had signed the letter. The reason why all of the officials there had not signed the letter is that some of these people feared that they would be marked by their superiors. Prior to their going there, senior officials had already forbidden them from participating. But as alumni of Thammasat University who adhere to the principles of justice and fairness, they had to join forces to show their support for what is right after the university Faculty Council took action on this matter.

The report stated that their purpose in submitting this letter was not to ask legitimately elected ministers to resign their positions. Rather, they wanted to express their viewpoint to the minister, who is an alumnus of Thammasat University and who was not elected, and ask him to reconsider his position. A recent report stated that a government official in the Department of Foreign Trade, whose name was not revealed, submitted his resignation to protest the fact that he was not permitted to meet with the deputy minister of commerce.

As it turned out, MR Pridiyathon did not meet with this group of officials. His clerk informed them that he was

away on business. Almost all of the officials there were wearing white and black clothing to express their sorrow. Officials from the Department of Export Promotion and the insurance office did not participate in this, because they were too far away. But they agreed with those who submitted this letter. It's worth noting that most of the officials who came to submit this letter are alumni of the Faculty of Economics, Thammasat University, including people who belonged to the same class as MR Pridiyathon and people from senior and junior classes.

Academics View Protesters' Profile, Composition

92SE0244A Bangkok KHAO PHISIT in Thai
15-21 May 92 pp 30-31

[Article by Uaiphon Taechutrakun]

[Text] Professor Narong Phetprasert

Economics, Chulalongkon University

"The mob has formed itself developmentally, without support from any organizations. It started with Mr. Chalad Worachat's group, who had thought no further than to protest the Prime Minister. They did not even have a poster designer. From there it progressed to have a visitors' sign-up book. Then messages from the visitor book were copied on the wall. A high park speech began, joined by a group of students. It happened that Chalad could sense when the people's empathy was at the point of creating a mob. This indicates that a mob started before other organizations joined. This is a significant point which differentiates this protest from the one on 14 October, in which the Student Union led the way before the Opposition joined in the protest. From this point, a mob in the making has turned into a permanent one.

"The difference between the 14 October uprising and this present demonstration is that people have more maturity. In the past, the students lacked experiences and they were hot-headed. This time the majority of protesters is not students. Their maturity provides them with good judgement. They do not act the way the government accused them. They use reason, not emotion. The violence anticipated did not materialize, although the media continued to taunt and incite them.

"The starting point of this flow of events was nonviolent. The people who joined the protest continued the practice of passive resistance. In addition, the middle class protesters are very mature. The objectives of the protest are the key to evaluate its success. It is apparently successful. Through the prolongation of the demonstration, people kept coming. At a later phase, there was a leap from merely calling for public empathy to the next level when Major General Chamlong Simuang announced his hunger strike. Those who participated in the demonstration, be it private organizations or a slum representative like Prathip Ungsongtham, are all mature. None would advocate violence. They are flexible.

"The advantage of having a middle class mob is that they based all their decisions on two factors, one on interest, and the other on ideology. It is not accurate to say that the middle class mob is easy to disintegrate. The reason is that the middle class makes decisions by using judgement. When their interest is affected, or when they still feel their discomfort has not been addressed, they need to channel them through the various media. At that point the size of the mob would not have been increased, and might have been easily dispersed. The middle class's emotions are more difficult to appease than those of the lower class's. The middle class has higher expectations and it is difficult to satisfy them. During the day time, it might not look as if they were participating in the protest. Nevertheless, if they do not get the prime minister through the general election, their discontent will persist.

"The core of this demonstration is the cooperation among various groups. Among the political parties, Phalang Dharma Party seemed to take the leading role. However, the leading roles still belong to various democratic organizations, the intellectuals. This mob is considered very advanced, not a side street mob who is impulsive. They are not a hired mob by any groups. They composed themselves very well, all dressed up in their business suits, and completed with their cordless telephones. They came of their own free will, by their own decisions. The military had to think deeper. The middle class mob has enough knowledge, thoughts, and wealth. They can give a helping hand easily if they are in agreement. They also hold good social positions. The majority is professors or teachers whom people listen to and believe in. They are held in high regard. If any harm comes their way, it can cause profound feelings among the public.

"The other reason why more people participated in this demonstration was the government's effort in trying to hoodwink the public. The majority has expectations and the need to know and to find out. They have high self-confidence. The lies incite them. They want to come out and see for themselves. This points to the inadequacy of the government's psychology. They do not understand the middle class's nature. Every one of them has a cordless telephone, and they can pass on messages easily."

Professor Surachat Bamrungsuk

Political Science, Chulalongkon university

"This mob resembles the 14 or 6 October ones in the huge number of participants. It differs from the other two in that the 14 or 6 October mobs consisted mostly and mainly of students, laborers, or farmers. On the contrary, this mob was composed mostly of people living in Bangkok. They are a middle class mob or a so called cadillac mob, cordless telephone mob, or necktied mob. I consider this fact an advantage for the fight. Political scientists believe that the middle class is the best group to help build democracy. In the past, the

middle class referred to government officials. During the 14 or 6 October period, the students were also considered middle class. However, this time the structure of the participants changes. The number of students who participated has decreased, which might have been because it was during summer vacation. Moreover, the student movement has changed. They think more of studying and worrying about careers after graduation.

"The fact that this mob consisted of the middle class does not make me see it as weak. If we look at foreign countries, like in the Philippines, we will find that it was also the middle class mob that protested against Marcos. During their lunch breaks, they came out to protest, and got back to work in the afternoons. It happened the same way in Thailand. They went to work during the day time and participated in protest in the evenings. I believe that a continuous protest, of three or seven days straight, days and nights, will have to change. The middle class mob is different from the student mob, in that the latter can stay straight through days and nights. This has to change to be better suited to current situations.

"The waving of flags as a sign of passive resistance helps participants make their own decisions. It guarantees them that there will be no violence, which is most suitable for them. The core of the mob has changed from student leaders in the past to political party leaders at present. It is also considered an advantage. Otherwise, the political parties will not have grass roots support at all.

"The conclusion drawn from the demonstration is that the major factor that drew a large number people to join the demonstration is the government's blockade of information and the denial of the people's right to know. This tactic has backfired because it motivated people to come out in troves. Most of the people who heard the authorized information, felt the need to find out the real situations. This will have a long term negative effect on the government. People lose trust in the government's statements because they see them as a distortion of facts. In this particular demonstration, the participants no longer believe the government's information."

Professor Anek Laothamthat

Political Science, Thammasat University

"I believe it is the learning process in a Thai society. The military begins to realize that the experiences of the 14 or 6 October have caused mental damage, indicating that using force does not work. The Class 5 officers have experienced these before. Additionally, the present Thai society is high on compromise, be it the matter involving the Young Turks, or the 66/23 policy. At this time I look at it as a combination of negotiation and force, or a military march of negotiators. In other words, the resistance has its mob, while the military has its forces.

"The military has changed in one instance by using barbed wire as a means of crowd control, which limited the movement of the mob. In the other, the military is

more united and is easy to be controlled. This differs greatly from the 14 or 6 October incidents when the military was fragmented. This means that this time both sides have shared the same learning experience. It shows an inclination toward negotiation rather than all out battle. The strength of both sides is about equal. The mob is weary, while the military finds it difficult to suppress them because there are large numbers of them, who are also of high positions. If this group of people is hurt, the businesses they own or are in charge of will be affected as well.

"The Class 5 military officers have demonstrated their tendency toward being politicians since the 23 February 1991 Revolution by rescinding martial law, appointing a non-military person as an interim prime minister, rescinding censorship, and refraining from using the 27 Clause. Concerning the Constitution, they have even taken a small step backward by demonstrating that they are only politicians who have tanks for accessories. They are more politicians by nature than uncultured military men.

"Major General Chamlong Simuang is also a politician and an accomplished tactician, not just a military man. Both sides are not blood thirsty crazy. They have been signalling each other and conveying the possibility to negotiate. When the other side appears ready to amend the Constitution, this side lessens their confrontational stance. The rally will continue on 17 May 1992. If the Opposition persists with the demands, it will be difficult for the government to negate. The government definitely will negate unless the Opposition presses on. This indicates that the mob takes a rest, not gives up. It is like saying, Till we meet again, but not "Good-bye.

"The military has made progress in applying psychological warfare to disperse the crowd because people are saying that if the military uses forces, the military will become tyrants. Likewise, if the mob creates confusion and turns to violence, the mob will cause a riot. Therefore, both sides must tolerate each other the best they can. Those who strike first are losers. Thai politics believes in compromise and prolonged fight, rather than a decisive end at once."

JUP Leaders Narong, Athit View Military Role

*92SE0255A Bangkok BAN MUANG in Thai
27 May 92 pp 1, 16*

[Excerpts] [passage omitted] At 1200 hours on 26 May at the Siam City Hotel, the Justice Unity Party [JUP] held a luncheon for members of the party. Almost all party members attended. Mr. Narong Wongwan, the party leader, sat at the same table as General Athit Kamlang-ek, the head of the party advisory team.

In an interview, Mr. Narong told reporters that this was just a normal luncheon. The formation of a national government is the affair of every party. He said that he can't say anything and that he isn't interested in who becomes prime minister. [passage omitted]

When the reporter asked about the amnesty decree, Mr. Narong said that it doesn't matter whether he agrees with this or not because the decree has already been issued. But in any event, judgment must be passed on the constitutionality of this. JUP members do not oppose this. Members have not protested this. As for the recent killing of citizens, he said that all five members of the coalition government, not just the Justice Unity Party, must take responsibility for this. [passage omitted]

General Athit Kamlang-ek, the chief adviser to the Justice Unity Party, talked with reporters about the slaughter of people on Ratchadamnoen Road during the period 17-20 May. He said that this is the responsibility of those concerned. As for these five political parties, some people held positions in the government and others were just members of the coalition government. With respect to what happened, there are people who are responsible in accord with the law.

A reporter asked him, In view of the fact that you were once the RTA CINC [Royal Thai Army Commander-in-Chief], do you think that an atrocity was committed? Gen. Athit said that as the former RTA CINC, supreme commander, and commander of the Bangkok Peace-keeping Force, he can affirm that the Bangkok Peace-keeping Force was established to protect the lives and property of the people. Its function is to prevent sabotage. He said that he feels sorry for those people, but people should understand that this unit is good and must be used properly. Problems must be solved in an appropriate manner. There are legal procedures. If something improper is done, those who issued the orders must take responsibility.

Gen. Athit talked about the fact that people are calling for Gen. Isaraphong Nunphakdi, Air Chief Marshal Kaset Rotchananin, and Lieutenant General Chainarong Nunphakdi to resign from their positions. He said that it must be determined if they overreacted and who is responsible. Orders are passed down from one echelon to another. The orders may not have been carried out properly at a particular level. People should not automatically blame the person who originally gave the order. We must see at which level the mistake was made.

Gen. Athit said that when a mistake is made, it can be corrected. "I think that the military will have to be patient." The people have a negative view of the military. The mistakes of a few are being used to condemn everyone. There are fears that the unity of the military will be destroyed. He said that the military should make sacrifices for the country, and the people should show mercy. What happened is enough. Lower-ranking servicemen should not be blamed.

The former RTA CINC said that people should not do anything out of emotion. They should act with reason and do things in an orderly manner. Steps must be taken to ensure that the institution defends the country properly and efficiently. Things should be allowed to settle down quietly.

The reporter asked if he thought the military overreacted. Gen. Athit said that he was not there. He watched video tapes and television reporters, and feels very sad about what happened. But he said that he doesn't want to give a definite answer at this time. He can't say anything. An investigation must be conducted. Actually, the existing legal procedures can be used. As for the amnesty act, he said that personally, he doesn't feel that that is necessary, because the people who were demonstrating there had the constitutional right to do that. But burning vehicles was wrong.

The reporter asked, In view of what happened, the Justice Unity Party should not join the government, should it? Gen. Athit said that the JUP joined the government based on the political principle of wanting to participate in administering the country in order to work for the country. No one thought that such a terrible thing would happen after a government was formed. If we use the wrong means, damage will be done. If we want to join the government, we must do so in accord with correct principles and regulations."

Gen. Athit said that the military should not send forces to confront demonstrators. The government and minister of defense should investigate and take steps before any action is taken, either directly or indirectly. We have operations regulations. It depends on if people implement these on their own.

As for the criticism that the Army is in the hands of just a few people and that it is not really the nation's Army, Gen. Athit said that "I don't think that that is true." The reporter asked, Just after the election, political parties went to a military camp to form a government. Have those political parties freed themselves of military control? Gen. Athit said that he does not approve of that. He said that he has tried to get these parties to distance themselves from the military. As for whether they have now done so, he can't say. He is just an adviser and just one member and so he can't answer on behalf of all party members.

There have been rumors that people are planning to nominate Gen. Athit for the position of prime minister. Gen. Athit said that no one has nominated him. That is just the idea of certain people. He can't say anything now. He said that he is old now and shouldn't be asked to carry that burden. [passage omitted]

Poll on Demographics of Pro-Democracy Protesters

92SE0255C Bangkok THAI RAT in Thai
23 May 92 p 5

["Quality of Society column" by Chawarong Limpathompani]

[Excerpt] [passage omitted] There have been many questions about "those who participated in the political demonstration." People want to know who they were and where they came from.

The Social Affairs Association of Thailand has released the results of a random survey conducted among people who participated in the political demonstration on 17 May at Sanam Luang. About 2,000 questionnaires were sent out. The purpose of this questionnaire was to determine whether the demographics of the protesters was in line with the assumptions made. Because people have been saying that many of the protesters were members of the middle class.

The results of the survey by age group were as follows: Most of the protesters, 39.4 percent, were between the ages of 20 and 29. This was followed by those in the 30-39 year-old age group, 36.5 percent; 40-49 year-old age group, 14.2 percent, and over 50 years old, 6.7 percent. The remaining 2 percent were below the age of 20.

As for educational level, it was found that 52 percent had a BA degree, 14.5 percent had a postgraduate degree, and 30.3 percent had some other level of education.

As for income level, 30 percent earned 10-19,000 baht, 28.5 percent earned 5-9,900 baht, 15.5 percent earned 20-50,000 baht, 14.1 percent earned less than 5,000 baht, and 6.2 percent earned more than 50,000 baht.

As for occupation, it was found that 45.7 percent worked in the private sector, 14.8 percent worked in the public sector, 13.7 percent owned businesses, 8.4 percent were students, 6.2 percent worked for a state enterprise, and 10.2 percent were engaged in some other occupation.

Of those who worked in the private sector, 12.2 percent worked in the sales and marketing sector, 9.3 percent worked in the finance and banking sector, 4.5 percent worked in advertising and public relations, and 2.4 percent worked in the insurance sector.

The results of this survey clearly show that as had been thought, most of those who participated in this protest were members of the middle class. That is, 59.4 percent were people in the private sector and business owners. Another 23.2 percent were students and government officials, who can be considered to belong to the middle class. [passage omitted]

Red Gaur Spokesman on Group's Leadership, Goals

92SE0262A Bangkok NAO NA in Thai 28 May 92 p 1

[Excerpt] [passage omitted] While military leaders have remained silent amidst this political breakdown, the Red Gaur group, which has been silent ever since the bloody events at Thammasat University on 6 October 1976, has showed its face again. At 1800 hours on 27 May in the Nopparat Room of the Rattanakosin Hotel, a person claiming to be a Red Gaur activist issued a statement.

Mr. Sutha Suwannanon, a spokesman for the Red Gaurs, stated that the Red Gaur operations unit disbanded a long time ago. But before it disbanded, it promised that it would return if the nation ever needed it. "Today, we

are happy that the pro-government and opposition parties are acting in accord with the parliamentary system instead of taking action outside parliament as in the past, which led to events that should not have occurred. The Red Gaur group is calling on people to stop taking action and creating situations harmful to Thailand's image. And people should not exert pressure using various means."

A reporter reported that the 11 Red Gaur representatives who issued this statement were all middle-aged people. All of them were wearing jackets and glasses similar to those worn by soldiers.

In issuing this statement, the Red Gaur representatives tried to avoid answering the important questions posed by reporters. For example, when a reporter asked if Major General Sutsai Hatsadin, the former leader of the Red Gaurs, approved of their activities, Mr. Sutha responded by saying that everything that they do has been discussed with former Red Gaurs nationwide. Maj. Gen. Sutsai has nothing to do with this.

As for the people opposing the promulgation of an act granting amnesty to those who ordered the killing of people, Mr. Sutha said that everything must be done in accord with the parliamentary system. His group wants people to stop all activities detrimental to the country. As for whether they agree with using military force to disperse the mob, Mr. Sutha said that "we are Thais. We don't want to see such things happen. Actually, we disagree with the military's use of force. People should heed the advice of the king, who has asked people to try and cooperate with each other."

The reporter said that in the past, the Red Gaurs usually used violent means. He asked if that will be the case this time. Mr. Sutha said that that was in the past. Today, the situation is different. In conclusion, he stressed that actually, the Red Gaurs wants all factions to stop using violence.

The reporter also reported that that same day, three sets of leaflets attacking Gen. Chawalit Yongchaiyut, the leader of the New Aspiration Party, were disseminated.

MILITARY

South African Intelligence General Visits

92SE0261A Bangkok KHAO THAHAN BOK [ARMY NEWS] in Thai 18 May 92 pp 1,6

[Excerpt] [passage omitted] The Foreign Affairs Division, the Army Intelligence Department, reported that Lieutenant General C.P. Van Der Westhyzen and three delegates will call on General Itsaraphong Nunphakdi, the Army commander-in-chief, on 25 May 1992 at the VIP Lounge, the Army auditorium. The Thai welcoming party includes General San Siphon, Army assistant commander-in-chief, General Khachon Ramanwong, Army advisor, Major General Thirawat Patthamanon, director

general of the Army Intelligence Department, and Major General Chaturit Phromsakha na Sakonnakhon, Army secretary.

Lieutenant General C.P. Van Der Westhyzen, Army Intelligence Unit joint chief of staff, who reports directly to the President of the South African Republic, will make an unofficial visit to Thailand for the purpose of developing good military relations, in particular, exchanging intelligence with the Thai Army. The visit with the Army commander-in-chief will help strengthen good military relations between Thailand and the South African Republic.

Ranking Air Force, Navy Officers on Killings

92SE0273A Bangkok DAO SIAM in Thai
28 May 92 pp 1, 2

[Excerpts] Admiral Surawut Maharom, Navy chief of staff, talked to the press about the rallies. He stated that the Navy has not been affected psychologically by the rallies because there was no confrontation in the area under the Navy's supervision. Naval officers were ordered to prevent an increase in the number of the protestors entering Bangkok.

Moreover, naval officers applied psychology in communicating with the demonstrators, spending some time talking to them until succeeding in persuading them to disperse. They cajoled and threatened them at the same time to go back home, citing possible violence. More importantly, they were ordered not to shoot people. The admiral said men on duty could have been under tension when faced with an immediate situation. Therefore, he asked that we look at the overall picture impartially. Although the Navy has not been affected, the other Armed Forces were on duty under their commanders' commands. They had to assume that the orders were legitimate in order to keep national peace. It is illegal for soldiers, to refuse to follow commanders' orders. When ordered to go, if they refuse to comply, they would be in the wrong. Once they go, they have to do their duty. It is the responsibility of being a soldier.

The Naval chief of staff said that presently the country is only looking at the effect, not the cause. He did not intend to take sides. Nobody should say this group or that group was the cause, or which mob benefited from the rallies. There were three groups of people who joined the rallies: a self-interest group, a pro-democracy group, and a group of spectators. Some were at the rallies to watch, others to join the mob. He said that we have to look at them fairly. The incident has damaged our country severely. We have to restore our country because no other country will want us to prosper. If we are weak, neighbors who have been waiting to take advantage of our weakness, will walk in. If we do not unite now, there will be consequences. [passage omitted]

Admiral Surawut Maharom said that officials on all sides should quit being obsessed with only situations in Bangkok. They should perform their duty of defending

the country and the population. During the previous crisis, there were fishing boats doing their duty. Today, Thai fishermen called on Admiral Wichet Karunyawarit, bearing flowers as a sign of gratitude that during the unrest, the Navy took good care of them and kept people safe.

The Naval chief of staff said that he would like to ask the participants of the rallies to abandon their roles. They should take to heart His Majesty the King's speech asking them to help put the country in order peacefully. As a citizen and a soldier, although unaffected by the repercussions, he wants peace. The Navy has nothing to gain. Whoever is convinced that he must act today, he must think it over and consider every point of view. Then he should not do it. The public has suffered enough at present. Each side should turn to, not confront one another. As for the question whether the military would instigate another coup d'etat or not, the Naval chief of staff did not know. He would rather ask everyone to abandon his role.

Air Vice-Marshal Phanlop Thaworanan, the Air Force secretary, told the press that he and the Air Force were saddened by the violence that occurred. The misunderstanding damaged the image of the military. However, everything was in the line of duty. At present, he cannot comment or discuss anything. He has to brave the present situation. A high ranking commander asked them to keep a stiff upper lip. The public will find things out sooner or later. It might be later.

When asked how the military image could be corrected, the Air Force secretary replied that they could hardly do anything about it during the confusion. However, the Air Force has formed an idea that the high ranking commanders will establish a committee responsible for providing understanding between the military and the public in order to restore the morale of the armed forces. Moreover, the Supreme Commander and the Air Force Commander in Chief have ordered all units involved in assisting the public to continue their psychological process. For example, besides giving medical and emergency assistance, they should cultivate a good image and better understanding with the public by exerting extreme patience. As for the press at present, there will be no information, because the high ranking commanders believe that if during the press release, there are sensitive or provocative questions, the armed forces will be damaged. Therefore, it is not possible to release any information. It has to be postponed for the time being.

The Air Force secretary said that every soldier regrets what happened. Every single one of them wishes for peace for the country. They did their duty. The commanders never wanted violence. Nevertheless, the incident occurred very fast. They must be patient, the Air Force secretary said in the end. [passage omitted]

Regulations on Political Activity Discussed

92SE0261B Bangkok KHAO THAHAN [ARMY NEWS]
in Thai 18 May 92 pp 2,5

[Editorial]

[Text] Many military officials have inquired about how to act or behave themselves in a proper way in the current political situation. The Ministry of Defense issued regulations concerning military officials and politics in 1956 stating that the cabinet resolved that military officials are entitled to political rights as general civilians. They are also entitled to join political parties. The regulations, or guidelines for proper conduct, for officials in the Defense Ministry concerning political activity, are enforceable on both military and civilian officials in the Defense Ministry, excluding political officials, military cadets, active forces officers, and permanent and temporary orderlies.

Defense Ministry officials who join any legally established political party must report it to their immediate superior to inform the Army commander-in-chief, the Navy-commander-in-chief, the Air Force commander-in-chief, chief of government division under the Defense Ministry, or minister of Defense, as appropriate.

Defense Ministry officials can participate in any political meetings privately out of office hours.

The previous rule does not affect Defense officials who are members of the Senate.

Defense officials must perform their duty or deal with civilians impartially, without favoritism for any particular political party. However, they must follow the government's policy. They must not violate law, statute, regulation, rule, order, or military practice. They must not violate the following rules:

- They are forbidden to use or to let anyone use government property for political activity, either by word or by act, except through a club whose regulations allow occasional fee paid events.
- They must not criticize the government's activities to civilians.
- They must not attend political meetings or any meetings in public that are political in nature while in uniform.
- They must not wear any political party's insignia in government buildings, during office hours, or while in uniform.
- They must not wear a political party uniform in any government building.
- They must not force their subordinates or civilians, either directly or indirectly, to join any political party, nor must they reward or penalize them as a result of subordinates' or civilians' joining or admiring any legally established political party.

—They must not ask or force anybody to contribute either money or property for a political party's interest.

—They will not write letters or send articles to newspapers, publish books or print leaflets, or distribute to the public, anything that is political in nature. They must not campaign for or show support for any political party in public.

—They must not interfere politically, or use their positions as a means to conduct activities, for example, to lobby members of parliament, members of the senate, or political parties, to submit a draft act or motion to the House of Representatives or to the Senate, or to question the government.

—They must not, directly or indirectly, offer help to or support candidates during the general election period, unless they hold positions in a political party. Conversely, they must not obstruct, condemn, attack, or defame candidates.

Once the Defense Ministry has issued detailed regulations affecting every Defense official, the officials should refrain from violating them. Although the regulations give quite a few political rights to the Defense officials, they should be cautious and give serious consideration before participating in any political activity. Then they will not be used as tools of those who do not represent the best interest of the nation's security.

ECONOMIC**Reports Continue on Economic Situation Post-Unrest****Budget Director on Impact, Military Funds**

92SE0253A Bangkok BAN MUANG in Thai
26 May 92 p 3

[Excerpt] [passage omitted] Mr. Bodi Chunnanon, the director of the Bureau of the Budget, talked about the 1993 budget that was submitted to the cabinet. He said that it will probably have to be submitted again, because the budget must be in line with the policy of the government. The budget had been set at 555 billion baht, an increase of 5 billion baht during the administration of General Suchinda Khraprayun. This same figure will probably be submitted to the cabinet without any change in the amount. Whether any changes will be made depends on the new government.

"As for what effect the unrest will have on revenue collections by the Revenue Department, whose offices were burned, I don't think that this will have any effect. The Revenue Department will probably be able to carry on activities as planned. As for the effect with respect to various documents, that will have only a small effect, because most of the data are kept at the Computer Center and so they were not damaged."

The director of the Bureau of the Budget said that as for budget funds to rebuild or repair the government buildings that were damaged, particularly the Revenue Department and the Department of Public Relations, this work will probably have to wait until the 1993 budget funds are allocated, because the 1992 budget does not contain a large reserve fund. The reserve fund has sufficient funds only to pay compensation to [the families of] those killed and to those injured. People have already been paid using money from this fund.

Mr. Bodi also talked about the secret government budget or military budget. He said that initially, the Bureau of the Budget stipulated a 1993 budget similar to the 1992 budget, that is, approximately 1 billion baht. If other budget items become more important than the secret budget of the military, consideration will have to be given to using this part of this budget for other things. This will have to be considered further. [passage omitted]

Finance Minister, Economic Official Comment

92SE0253B Bangkok THAI RAT in Thai
21 May 92 pp 1, 17

[Excerpts] [passage omitted] A reporter reported that on the morning of 20 May at the Ministry of Finance, a meeting of the Securities and Exchange Supervisory Committee was convened. The meeting was chaired by Mr. Suthi Singsane, the minister of finance. The committee also invited Lieutenant General Phaibun Hongsinlak, the assistant RTA CINC [Royal Thai Army Commander-in-Chief], to attend the meeting. Those at the meeting discussed the questions raised by the Standard and Poor Company, which is considered to be a very reliable company in evaluating economic matters and estimating borrowing capabilities on world money markets (a credit rating agency). This company sent an urgent letter asking about Thailand's economy, which has been affected by the political events here. And it warned that Thailand's credit rating may be adjusted. From what is known, on 21 May, the United States will issue a statement evaluating the situation in Thailand in order to determine how great an effect this will have and if this has anything to do with the credit rating given by Standard and Poor.

The reporter stated that the atmosphere at this meeting was very tense. Reports were given on all aspects of the economic situation, including the monetary, stock market, banking, and financial aspects. Those at the meeting also discussed ways to solve the problems, particularly the problems concerning the checking system of each bank, so that the monetary system in the country does not run into trouble. [passage omitted]

Mr. Niphat Phukkanasut, the director of the Fiscal Policy Office, said that other countries view the violence in Thailand as being similar to what happened in China. They view this as a country in which military dictators suppress the people. The government should explain things to other countries. As for explaining to the Standard and Poor Company what effects the political events will have on the Thai economic situation, he said that he

will ask this company to postpone rating Thailand, which now has an A minus rating, until the situation has quieted down.

The reporter stated that at the meeting, Mr. Narongchai Akhonserani, the chairman of the board of the G.F. Finance and Securities Company and an economic adviser to the prime minister, appeared to be very concerned about the situation. At the meeting, he said that he hopes that the government will tell the people the truth about the political situation and not conceal things. And he hopes that his views will be passed on to the government through the assistant RTA CINC.

The reporter stated that one of the obvious effects that the political situation has had on the economy is that Singapore banks have stopped loaning money to Thailand's 16 commercial banks. They have not demanded payment of previous loans, but they are not making new loans. Because of this, these banks have had to borrow on their lines of credit with Japanese and Swiss banks. But the interest rates on these loans are higher. Besides this, another thing that can be seen clearly in the monetary system is that the interest rate on inter-bank loans has shot up to 12 percent. Just recently, the rate was only 5 percent. This is because the banks are trying to retain their liquidity. And because of the troubled monetary situation, foreign investors are withdrawing their money, which is forcing the banks to review their business plans, particularly with respect to extending credit. [passage omitted]

Mr. Narong Akhonserani, who is a member of the Board of the Securities and Securities Market Supervisory Committee, said that those at the meeting discussed what to do to ensure that Thailand's monetary system functions as normal and that there is a flow of money. The national bank has affirmed that it will allow the commercial banks to remain open for business until 1530 hours. Sufficient money transfers will be made until 1000 hours. Payments and check clearing activities are now being carried on as usual. If a bank is not ready to deal with another bank, the checks can be cleared later. As for investments in the securities market, activities will be carried on as usual, because that will be more beneficial than closing the market.

Mr. Narong also said that he can't tell how great an impact this political turmoil will have on our economy. But in the short term, there are three things that he is worried about and that must be monitored in order to prevent poor people from encountering problems. 1. Currency must circulate as normal. 2. There must be flow of goods so that goods are available when people need them. This includes oil. It's unfortunate that government services have been closed down so that certain goods can't be ordered. 3. Steps must be taken to ensure that people can get to their jobs as usual by providing buses or other means of transportation. In particular, the buses of the Bangkok Mass Transit Authority must provide service in certain areas. Only a few buses may be

in operation but they must be safe. Bus service should not be curtailed completely. [passage omitted]

A statement by the International Confederation of Free Trade Unions [ICFTU] that was reported by the Reuter News Agency last Wednesday stated that unless the violence that erupted does not come to an end soon, members of the ICFTU will take steps to curtail the special trade privileges granted to Thailand. [passage omitted]

A report stated that various Japanese companies that are the largest foreign investors in Thailand and that are doing business directly here have stated that the action taken by the Thai military and police against those who were demonstrating for democracy have seriously damaged Thailand's image as a safe place to invest and do business. In response to the great upheaval taking place in Thailand, several Japanese companies have temporarily closed their offices in Bangkok, and Japanese businessmen have been ordered not to travel to Thailand on business.

Last Wednesday, officials of an influential Japanese "lobby" group, the Kaidanren Group, said that "the terrible events that have taken place in Thailand have had a very negative effect on the decisions of Japanese investors about investing in Thailand in the future even though these events have not had much of an effect on Japanese companies presently doing business in Thailand."

As for direct investments in Thailand, Japanese investments account for 25 percent of the total amount invested. In 1990 alone, Japanese investments totaled \$1.15 billion (28.75 billion baht). [passage omitted]

Bankers, Businessmen Comment

92SE0253C Bangkok DAILY NEWS in Thai
23 May 92 pp 1, 3, 9

[Excerpts] [passage omitted] Mr. Damrong Krutsanarama, the managing director of Bangkok Bank, said that the political unrest, which resulted in three days of rioting, will definitely result in a decline in investment activities here during the second half of the year. It will take a long time to recover. Investments in the tourist industry and the hotel business have been hit particularly hard. As for financial activities, prior to this political unrest, the bank had evaluated the investment situation and felt that in the second half of the year, investments would increase, which would have made the monetary system tight, and the larger banks might have raised interest rates on deposits. Once the situation returns to normal, the investment situation will have to be reevaluated completely, because investment activity will decline.

Mr. Damrong said that with respect to foreign investors, the bank has sent letters to explain Thailand's political situation to foreign customers and to assure them that the situation here has returned to normal. The recent events have not affected the bank's short-term credit

line. In particular, the financial institutions from which the bank requested loans prior to the unrest have not ordered any changes. At the same time, credit requests by customers are normal. However, it is thought that some large customers that were planning to borrow money for projects may decide to postpone some of the projects.

However, financial liquidity during the period of the riots declined quite a lot. The inter-bank loan interest rate rose to 11-12 percent. This was because each bank had to maintain its liquidity in order to be prepared to pay short-term foreign debts if they were called.

Mr. Damrong said that the unrest forced bank branches to close. It's impossible to estimate how much money was lost. "We can't estimate the financial loss. But this will have a great effect on the morale of employees."

Mr. Chokchai Aksonnan, the president of the Industrial Council of Thailand (ICT), said that he has some personal ideas on revising the Constitution in order to end the political conflict. That is, the Constitution should be revised as quickly as possible in order to reduce the tension. Because this is affecting the country's economy. The recent events have already done enough damage to the country. Rehashing things won't do any good. Thus, we should all help to improve the economy and make it stronger. As for revising the constitution, he does not think that this will be prolonged. Senators have not talked about this at all.

Mr. Prayun Thaloensi, the managing director of the Thai Chamber of Commerce, said that he has constantly expressed the view that the political problems should be solved in parliament. If they had been solved in parliament at the very beginning, the recent violence would not have occurred. Dissolving the House of Representatives is not the way to solve the problem. The only time that that should be done is when a dead-end has been reached in parliament.

Mr. Prayun said that he had in fact gone abroad just before the rioting broke out. But the fuse had already been lit prior to that. Foreigners are very concerned. In particular, in a statement, Japan wrote that it hopes that Thailand will have political and economic stability. Japan wants Thailand to have a continuous economic policy, because if there is a lack of continuity, this will cause many problems for foreign investment in Thailand.

The reporter reported that at 1000 hours on 22 May, the Japanese ambassador to Thailand met with Mr. Pongphon Adireksan, the minister of foreign affairs, in order to discuss the riots. The Japanese ambassador said that the reports that Japanese investors will stop investing in Thailand in order to protest what happened are not true. Japan knows Thailand well and feels that the monarchy is the highest institution and that it can bring an end to such events just as in Japan. Thus, he has assured investors that there is no reason for them to worry. If Japanese investment in Thailand declines, it will probably stem from the fact that Japan's economy has

slowed, and Thailand's public services system is not capable of meeting the needs. Thus, some Japanese investors have begun investing in Indonesia instead.

Mr. Chanin Wongkusonkit, the managing director of the Bang Pu mine, said that the unrest has not affected projects already under way, such as EGAT's [Electricity Generating Authority of Thailand] project to open a lignite mine in Mae Moh District, Lampang Province. This is because money has already been invested. And the important thing is that EGAT is very secure. However, long-term investment projects will probably be postponed. This includes the project to build a co-generation power plant.

Thailand's overall image today is rather dismal, particularly in the eyes of foreigners. Moreover, what has happened will certainly affect foreign loan projects.

Mr. Phlaiphon Khumsap, a professor with the Faculty of Economics, Thammasat University, said that Thailand's economy is in very dire straits. We are now in a recession. Foreign investors don't have the confidence needed to invest here. They don't think that the government is stable. Because of this, the country's economy has been set back 50 years.

"As for revising the Constitution, I don't feel that that is the correct solution. Actually, the problem today is that the people lack confidence in the present government. The best thing would be for this government to step down. The longer it stays, the more hatred it will generate among the people, because this government has blood on its hands." [passage omitted]

Mr. Niphat Phukkanasut, the director of the Fiscal Policy Office, talked about the reports that Thailand's credit rating has dropped in the wake of the rioting. He said that the Standard and Poor Company has not lowered Thailand's credit rating. Our ratings for long- and short-term loans are still A minus and A minus 1 respectively. The Moody Investment Company Ltd has not lowered Thailand's credit rating either. They continue to give us an "A 2" credit rating for long-term loans and an "A 1" rating for short-term loans. The reports that appeared were confused. The Ministry of Finance is responsible for monitoring Thailand's credit rating, and so he can affirm that our credit rating has definitely not been lowered.

Mr. Niphat said that changing Thailand's credit rating is a very important matter. If these two companies are considering this, they must first send information and give a reason to the Ministry of Finance. They can't simply inform the Bank of Thailand. So far, they have not contacted the ministry about this. However, looking at the country's capital reserves, which have increased from \$6 billion to \$19.3 billion, it can be seen that Thailand's financial and monetary situation is still very strong. It's more likely that these two companies will decide to raise Thailand's credit rating than lower it.

"If Thailand's credit rating is lowered just one step, that would have a great effect on loan interest payments. Because this year we will have to borrow about 220 billion baht. If our credit rating is lowered, loan interest rates will rise 0.5 percent, which means that we will have to pay an additional 5 billion baht per year. That is a very large sum. If the unrest continues, Thailand will definitely have to face this."

Investment Board Chief on Damage

92SE0253D Bangkok THAI RAT in Thai
22 May 92 pp 1, 17

[Excerpts] [passage omitted] On 21 May, Mr. Sathaphon Kowittanon, the secretary general of the Board of Investment (BOI), said that the recent events have definitely damaged the economy. Even though it is still too soon to make an estimate, he has called a meeting with the officials concerned and the heads of investment promotion offices nationwide in order to quickly survey the short-term effects. He has also sent letters to convene a meeting of the heads of the investment promotion offices around the world in order to discuss the matter of building a clear image about investment in Thailand.

The secretary-general of the BOI said that the first thing that he did was to order officials to conduct a study on the various projects that are now in the process of deciding which country in this region to choose. It is understood that decisions were made immediately on these projects following the outbreak of unrest here. Besides this, these are projects involving investment capital of more than 500 million baht. These projects have not yet gotten under way, and a decision has not yet been made on whether or not to carry out these projects in Thailand. The most important thing is the postponement of financial deliberations concerning Thailand and loan help. At present, deliberations on these matters have been postponed throughout the world.

Mr. Sathaphon said that because of these delays, the flow of capital into the country will be delayed by at least two months. In the future, it could be even longer. Whether action is taken this year or matters are prolonged even longer depends on how clear the political agreements are. As for the recent events, he said that he does not want to put the blame on a particular faction or person. But this has been an economic disaster. Hopefully, this will be the last time that something like this happens. We can't allow this to happen again. "I can't say how many years this will set us back. But this was a major event even if our economic position is not completely ruined."

The secretary general of the BOI said that an urgent task of the BOI is to prioritize the projects that were ruined and question those in Thailand's private sector who were affected by what happened. It will then contact customers worldwide. Letters must be written to every country in order to express our regrets about the unrest here after we asked them to invest in our country and to tell them that Thai business and society are still capable

of performing well in our advantageous economic climate. However, Mr. Sathaphon admitted that some business activities, such as hotel and tourist activities, which were already in decline, will decline even more. As for the need for foreign capital for investment purposes or the need for loans, each year more than 100 billion baht is needed. Mr. Sathaphon said that unless urgent steps are taken to solve the problems and find ways to cooperate and help each other, we could be set back one to two years or even longer depending on the situation.

Mr. Sathaphon added that besides the efforts of the BOI, the ministries concerned with trade and finance also began cooperating as soon as business reopened in order to restore the country's important business activities to normal as quickly as possible. Swift action has been taken regarding the goods sitting idly at the port, purchase orders and clearing, and various permit requests in order to show that things in Thailand are not as bad as people think. These ministries will survey the damage. [passage omitted]

Mr. Phisit Li-atham, the chief of the Office of the Secretary, Bank of Thailand, said that during the two days of violence, various banks borrowed 9 billion baht from the Bank of Thailand in order to maintain their

liquidity and meet the flood of people coming to withdraw money. This can be seen from the loan positions of the commercial banks and national bank. On Friday, 15 May, their position was zero, they had excess liquidity, and the inter-bank loan interest rate was 5 percent. But after two days of rioting, they had borrowed 9 billion baht from the national bank, and inter-bank loan interest rate had risen to 12 percent.

The chief of the Office of the Secretary also talked about the matter of the Standard and Poor Company, which gives credit ratings to countries (credit rating agency), sending officials to evaluate Thailand's economic situation. He said that no conclusion has been reached yet. Normally, evaluations do not take short-term events into consideration. But the recent events here are not short-term events.

The letter sent by the Standard and Poor Company from New York stated that Thailand's credit rating had been lowered from A plus to A minus for long-term loans and from A minus to A minus 1 for loans in the short market in the government of Prime Minister Suchinda Khraprayun. This stems from the fact that the country's internal political problems are affecting economic management and foreign investment, and this could also affect the flow of capital from abroad. [passage omitted]

POLITICAL

Depoliticization, Anti-Depoliticization Viewed

922E0156a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Apr 92 p 2

[Article by Major General Tran Xuan Truong: "Depoliticization" and "Anti-depoliticization"]

[Text] The demand for "depoliticizing the Army" first appeared in East Europe during the last years of the 1980's. There, people demanded that the Army must "belong to the state," that the Communist Party organization system in the Army be abolished! These moves had neutralized the Army and kept it out of the political struggle at the crucial moment that decided the life or death of the revolutionary power. However, after seizing power, they are now "politicizing" the Army again by replacing the Communist Party's politics with bourgeois politics.

In the Soviet Union, the "depoliticization" demand had a broader scope than the one in East Europe. At the time, when opportunism had not yet openly recognized political pluralism, the reactionary forces put forth the slogan "depoliticizing the state." They demanded that "all power be turned over to the Soviets," that Communist Party organizations in the state apparatus be liquidated, and that state workers be nonpartisan. This strategy played an important role in causing the disintegration of the Soviet political system.

There are ample grounds to predict that antisocialist forces will widely use the "depoliticization" slogan and turn it into a strategic maneuver to realize the scheme of peaceful evolution against our country. Thanks to the historic tradition that binds the Communist Party to the people, and to the fresh political lessons learned from East Europe and the Soviet Union, the Vietnamese people have come to understand that pluralism and multipartyism are a suicidal path leading to chaos, worse living conditions, and the danger of losing the country again. It is against such a backdrop that broadening the scope of the "depoliticization" demand to cover all aspects of social life—by calling not only for "depoliticizing the Army" and "making the state nonpartisan," but also for "making nonideological" all production and business operations as well as all cultural and spiritual activities—has become the most convenient offensive tactic that the forces hostile to our people could opt for. These forces hope that successful realization of such a broadened "depoliticization" process would enable them to isolate, weaken, and defeat our party. In a society like our country, where the Communist Party's politics has permeated all domains of social life, "depoliticization" essentially means "decommunization." The commencement of this process also means the beginning of the shift to the state of political pluralism and multi-opposition party in reality.

To frustrate the "depoliticization" trick, the fundamental thing is to improve and heighten the Vietnamese

political environment and to overcome its degeneration. This degeneration is taking place and its manifestations—such as political apathy, decreasing interest in issues related to social ideals and political activities, development of pragmatic ways of thinking, and concerning oneself solely with business problems and "everyday life" activities...—are seen in not a few strata of society.

Coined by writers, the phrase "everyday life" is being used fairly widely. There is something not quite right about such usage. It is true that man is "a general combination of social relations," that there is more to life than just revolutionary struggle for social ideals; there are also everyday relationships, food, clothes, housing, entertainment, relaxation, love, procreation.... In the past, owing to many objective and subjective causes, we failed to pay due attention to these aspects of social life. Now, in formulating and implementing a human strategy, we must think more of the general combination and interrelations of the complex everyday needs of man. However, it would also be wrong to separate the so-called "everyday-life" activities from political activities and oppose them to each other in metaphysical fashion, regarding "everyday-life" activities as the sole genuine activities of man—the humanistic activities—while dismissing political activities as something abnormal, artificial, and even nonhumanistic. Can it really be true that political activities aimed at defending and building the country are not everyday activities of the people?

After more than one half century of struggling under the banners of Marxism-Leninism and Ho Chi Minh thoughts, our people have become well trained in politics. In Vietnam, there is not only the tradition of all the people fighting against aggressors but also the tradition of all the people engaging in political struggle; and these two traditions are closely bound to each other. However, at present, the tradition of all the people waging political struggle is facing the danger of being weakened and dying out. If this happened, it would be a disaster because it would pave the way for the "depoliticization" trend of the forces hostile to national independence and socialism to pour into our country.

Why has political apathy cropped up nowadays? Could it be that the current Vietnamese revolution, by setting economic building and better living conditions as its primary goals, has made its political nature less discernible than it was in the revolution that took place in the period of struggle for power or the period of defending power against foreign aggression? It would be more correct to say that we have developed shortcomings that have made politics less attractive than before. General exhortations that have yielded little practical results; the ineffectiveness of politics in dealing with the sluggishness that has become too obvious in life; the malady of talking a lot but doing little, of not doing what one preaches, or of saying one thing but doing another—all this has reduced the people's interest in politics.

For this reason, to frustrate the "depoliticization" strategic maneuver, we must effectively enhance our party's political work among the people. To this end, first of all we must improve the quality of the party's politics itself, defend and creatively develop Marxism-Leninism and Ho Chi Minh thoughts to provide a scientific basis for the party's lines and policies and enable them to fittingly respond to the masses' pressing needs, to produce practical results in life, and to change the situation.

Once the party's theories and politics have acquired a fresh quality, enhancing the quality of the dissemination of these theories and politics among the masses will be a decisive factor. It is necessary to intensify, renovate, and improve the quality and effectiveness of our political and ideological work among the masses. We cannot go back to the crude, simplistic, and ineffectual methods used in the past. It was these ways of doing things that have helped foment a dislike of politics among the masses, especially among the strata of educated people. Originally a complicated art, political and ideological work today has become even more complicated because it is based on a wealth of sociological and humanist knowledge and because it requires subtleness in one's habit and style of conducting relations and dealing with others to match the complexity of man's spiritual life. We must enhance our culture and politics! This culture is based mainly on a scientific review of all the knowledge of and experience in political activities acquired by our people from past to present, in particular during the past 60 years and more under the leadership of the party and Uncle Ho. At the same time, this culture requires a critical acceptance of the progressive, rational, and scientific factors of the modern political practice in the world.

A matter of vital importance is that our party's politics must permeate and attach itself to all diversified activities of life. Only in a revolutionary or counterrevolutionary situation—in which the question of seizing power of defending power is posed with urgency—will politics come to the fore and exist as an independent, separate field of activities. In a normal situation, politics is inseparable from other activities of society. Certainly, holding meetings, making speeches, organizing political seminars... are political activities that are always necessary. However, it is necessary to improve the quality of the content of political activities and incessantly renovate their forms. It is also necessary to affirm that if a laborer tries his best to master his field of speciality, achieve high efficiency, and work consciously for the country, for the people, for himself, and for social progress, then he is actually waging a political struggle—a practical form politics, as Uncle Ho often put it.

The struggle to foil the "depoliticization" tactic requires that our party and state reinforce the political and ideological front, which is our weak point and which also is the main target of attack of the forces hostile to us. An even more important matter is that we must know how to organize our forces rationally, to invest effort and

energy to create a strong lineup that is bold enough to fight and capable of winning on this burning front in our country at present.

Revolutionary Cadres Mark Liberation Day

922E0160A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 27 Apr 92 p 1

[Article by H.M.]

[Text] (SGGP)—Yesterday, 26 April 1992, on the occasion of the 17th anniversary of the total liberation of South Vietnam (30 April 1975-30 April 1992), nearly 500 veteran revolutionary cadres and other brothers and sisters who once worked in various organs directly subordinate to the former Central Office for South Vietnam (COSVN) attended a get-together in the meeting hall at 272 Vo Thi Sau in the 3d Precinct of Ho Chi Minh City.

Comrades Nguyen Van Linh, adviser to the Communist Party of Vietnam (CPV) Central Committee; Mai Chi Tho, former Political Bureau member of the CPV Central Committee; Truong Tan Sang, CPV Central Committee member and standing deputy secretary of Ho Chi Minh City's party committee; Tran Trong Tan, CPV Central Committee member and deputy secretary of Ho Chi Minh City's party committee; Nguyen Vo Danh, member of the Standing Committee of Ho Chi Minh City's party committee; and a number of delegates from various provinces were present.

The get-together took place in a moving and intimate atmosphere. Having not met for a long time, many comrades were overjoyed at seeing one another again. They recalled old memories, talked about old comrades-in-arms, and inquired about one another's livelihood and work.

After observing a minute of silence in memory of the comrades and comrades-in-arms who had given up their lives, Comrade Nguyen Van Linh recalled the process of shaping COSVN and the various classes of cadres and combatants who had responded to the party's call, had lived and fought for the ideal and cause of national liberation and, since the liberation of South Vietnam, had actively participated in all kinds of official work in many domains and localities.

Comrade Nguyen Van Linh reminded all brothers and sisters to love, protect, and help one another, to join one another in preserving their fine traditions, to educate and guide their offspring to the path followed by their elders, and especially, to remain alert against the enemy's current scheme of peaceful evolution. Each cadre and party member must always have the sense of defending the revolutionary gains achieved at the cost of their own blood and that of many other generations of the nation.

Suggested Solutions to Agricultural Crisis

922E0149A Ho Chi Minh City THOI BAO KINH TE
SAIGON in Vietnamese 23-29 Apr 92 pp 6, 7

[Article by Tran To Tu: "Recommendations on Ways To Resolve the Surplus Agricultural Products Crisis"]

[Text] In a market there easily occurs the phenomena of shortage or surplus crises. But those are events that occurred in past decades. Today, many nations have experience in regulating supply and demand and keep production and the market stable by means of effective mechanisms and policies. What is the situation in our Vietnam?

In January the price of rice in Minh Hai declined from 1,100 dong per kilogram to 900 dong per kilogram. At that time the winter-spring crop promised to be a bumper crop. From then on there were indications that a "surplus crisis" would occur. But only recently did the Council of Ministers issue Decision 96/CT, dated 27 March, which set forth some policies and measures to purchase surplus agricultural products.

Because that directive was late, it was more in the nature of an emergency measure to "put out a fire." Is there a way to take more decisive action?

Peasants and Agriculture

First of all, let us begin with the producers, the peasants. Most of them are very poor and have little or no capital. They lack many technical facilities, even in the post-harvest phases, such as processing, storing, and preserving. At present, they are facing many problems that must be resolved: how to market their products quickly and profitably in order to meet urgent needs, such as tax payments, repaying bank debts (6 percent per month), and repaying emergency loans from the "people's credit organizations" (10, 20, or 25 percent per month) to rebuild their houses after the floods or to put out the recent winter-spring crop. The most important question is how to have capital for the present summer-fall crop, while at the same time having to meet expenditures for their daily lives.

The Agricultural Products Marketing Corporations

Those units directly market the peasants' agricultural commodities. They have experience in purchasing, are very knowledgeable about changes in market prices, and have technical facilities for transportation, storage, processing, and preserving.

However, when facing a bumper harvest, capital amounting to hundreds of billions of dong is required to purchase such a volume of commodities. The agricultural products marketing corporations must stay on the sidelines merely because they lack capital and cash, and because the price and export policies are still too "rigid," because the interest rates on bank loans are too high, and because the time needed to find export markets is too long, at a time when the state does not yet have a stable

export strategy to maintain and develop the market for Vietnamese agricultural products.

Even so, it appears that some of those corporations have the "cold-blooded" practice of merely calculating efficiency: only if it is easy and profitable to do so do they carry out their purchasing function. For example, they are now concerned with making calculations to determine what their income would be, considering current rice prices, if they exported rice and imported wheat flour. Some businessmen dealing in agricultural products even lack confidence in or support for their clients: the farmers.

Budgets and Banks

As regards the state budget, most attention has always been paid to tax collections. There is still no policy of agricultural products price supports when there is a surplus crisis or when international prices decline. In purchasing grain, the state budget only supplies capital to the National Stockpile Department. But since the beginning of the harvest, the National Stockpile Department has not yet carried out any purchasing.

With regard to the banks, practically no attention has been paid to mobilizing savings in the rural areas. The credit cooperatives themselves do not have the authority to mobilize capital for lending. Peasants who want to save do not have convenient places to deposit money in savings accounts. Loans are still made in the "traditional" way: anyone who needs to borrow goes to a bank. Although the capital raised through promissory notes amounts to more than 30 billion dong, the banks still do not play an active role because of that passive attitude.

The agricultural products surplus fever appears to be "someone else's problem." Few banks plan in advance, draft credit and cash plans, and take the initiative in contacting the agricultural products marketing corporations to seek capabilities to provide credit for purchasing. However, the factor of interest rates is still the most important. With the mechanism of the interest rates on loans being higher than those on savings, the agricultural products marketing corporations still complain about the interest rate of five or six percent a month for purchasing and storage. If loans are made at lower interest rates, as in the past, who will make up the deficits (the state budget still owes the banks about 600 billion dong)?

Ultimately, by means of Decision 96/CT once again the state budget must continue to provide an interest subsidy of 1.5 percent (borrowing at four percent, lending at 2.5 percent). If only 1 million tons (50 percent of the existing volume of commodity rice) are bought, about 1 trillion dong will be needed and the state budget will have to provide a further support of 15 billion dong. Is there no other way to break with the subsidy policy?

The Key Point: Agricultural Product Prices

Decision 96/CT requested the competent sectors to take a number of steps to buy agricultural products but did not deal with the subject of the purchase prices of agricultural prices. If the state does not support a minimum purchase price level that is sufficient to meet production expenses (for example, one unit of fertilizer yields two units of rice), what will happen?

Private merchants and the agricultural products marketing corporations can still delay purchasing to continue to subject the peasants to imposed prices.

Although the peasants can sell their surplus agricultural products, their income will be the same as if they had an unsuccessful crop, and will be insufficient to meet the above-mentioned expenditures.

There Must Be a Purchasing Formula Combined With Credit Through Promissory Notes

In order to truly encourage the peasants to be content in developing production and create conditions to further stabilize the agricultural economy sector, we would like to recommend the following solutions to supplement Decision 96/CT:

1. Prior to each harvest, the state must study and make public minimum prices to be applied in purchasing each of the principal types of agricultural products directly from peasant households. Those price levels are a basis on which to calculate reductions of export taxes or price supports for agricultural product exports for the agricultural products marketing corporations, in the event that international prices decline sharply. It is necessary to create promptly a price support mechanism and set up a special price support fund to both stabilize domestic prices and improve capability to compete internationally.

2. Strengthen the role and function of the National Stockpile Department so that it can become a principal agent of the state in the mechanism of intervening in the agricultural market. When a bumper crop is forecast, the National Stockpile Department must actively prepare to "suck up" agricultural products so that it can later gradually "pump" them out onto the market. How much and when to "suck up and pump" is a matter of intervention and regulation calculation techniques in order to keep the market stable with regard to the supply and demand of the principal agricultural products.

3. In order to ease the pressure regarding capital and cash during the harvest high-points, the Agricultural Development Bank and the agricultural products marketing corporations must coordinate in applying a number of credit-purchasing procedures in the following cases:

- A. The peasants must sell all of their agricultural products:

The Agricultural Development Bank both lends to the agricultural products marketing corporations and authorizes them to serve as agents in issuing promissory notes to mobilize savings from the peasants.

The peasants may use the promissory notes to pay taxes, repay bank debts, buy materials from the agricultural products marketing corporations and, if they have any left over, they can be source of savings. The Agricultural Development Bank and the agricultural products marketing corporations must guide the peasants in using promissory notes in such ways and achieve a balance so that they only need to sell agricultural products for cash to pay for their other needs.

In the past, the reason why the peasants did not like to sell agricultural products for bank checks was that those checks were difficult to use and the bank was slow in making payments and did not pay interest to the peasants. If the Agricultural Development Bank cooperates closely with the agricultural products marketing corporations and the tax file in arranging payments and calculating fair interest rates for the promissory notes, I believe the peasants will be prepared to accept the promissory notes instead of cash. Of course, at first the peasants will not be accustomed to them and will not have confidence in those payment transactions, so the ratio of promissory notes in the total purchasing expenditures will not be high. Once they clearly see their benefit they will willingly accept more promissory notes. If they sell agricultural products for promissory notes they will receive interest until the notes are paid and will not have to keep on hand an excessively large amount of cash, which is easily lost and is insecure.

As for the agricultural products marketing corporations, they both borrow by means of promissory notes and serve as agents in issuing such notes for the Agricultural Development Bank in purchasing agricultural products. Therefore, if the Agricultural Development Bank pays the promissory notes in advance and only records the debt and calculates interest from the dates on which the promissory notes were actually issued to the peasants, the agricultural products marketing corporations will not have to borrow excessive amounts of reserve cash and can avoid paying interest while the loans are outstanding.

With regard to the Agricultural Development Bank, the formula of lending combined with issuing promissory notes via the agricultural products marketing corporations will guarantee balance between mobilizing capital into capital for lending, so that the bank will not experience a backlog of capital. Therefore, the Agricultural Development Bank must set suitable interest rates on loans and agency commissions for the agricultural products marketing corporations so that those corporations can persuade the peasants to accept the promissory notes.

By means of that formula, the economy will gradually reduce the inflation rate during the months of concentrated agricultural products purchasing.

B. In case the peasants do not yet need to sell all of their agricultural products but do not have sufficient conditions for storing and preserving them, the agricultural products marketing corporations must provide a service for the peasants: selling agricultural products on a consignment basis for a suitable fee. At that time, the agricultural products marketing corporations will issue the consignor a warrant with two identical parts connected by a serrated perforation, which gives the name and address of the consignor, the category, the quantity, and the specification and value of the consigned goods.

The peasants may use the warrants as collateral in borrowing money from the Agricultural Development Bank. If it agrees to make the loan, the bank will retain half of the warrant and the peasant will retain the other half. The agricultural products marketing corporation will allow peasants to take back their consigned goods only when they have both parts of the warrant.

That service will help society reduce the ratio of agricultural losses, especially during the times of national disasters and floods, and the peasants will be able to borrow money. The agricultural products marketing corporations will also be able to easily control the sources of goods and they can temporarily use part of the consigned goods when there are export customers.

4. Finally, the National Stockpile Department and the state agricultural products marketing corporations must actively organize direct purchasing from the peasant households. Furthermore, those two units and the Agricultural Development Bank must build a close relationship with such organizations as the peasants' associations and agricultural cooperatives in order to discuss the plans regarding credit, the supplying of technical materials, and the marketing of agricultural products in each season, with the nature of being the core customers, and they must not turn their backs on and abandon one another when "misfortunes" occur.

That is truly a lively manifestation of the leading role of the state organizations in commercial relations with the other components on the agricultural products market.

Those transactions will be achieved when there is close cooperation between the economic units and the peasants. Therefore, the economic units must coordinate fully, study operational techniques that are rapid and efficient, manifest a strong sense of responsibility, and enable the peasants to realize clearly the convenience and benefit.

As for the peasants, there must be cooperative organizations with the role of being both units of the peasants in doing business with the Agricultural Development Bank and the agricultural products marketing corporations

and organizations that mobilize capital, provide capital, provide material-technical support, and market products for the peasants.

The time has come when the economy is changing over to the phase of beginning large-scale production. The phenomena of surplus or scarcity crises may occur continually, resulting in harm to the entire economy. The state, the economic units, and the peasant households must coordinate in a scientific mechanism to eliminate the chronic imbalances and unstable development of our economy.

City Veterans Association Holds First Congress

922E0160C Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 30 Apr 92 pp 1, 7

[Article by H.S.]

[Text] (SGGP)—Yesterday, 29 April, the First Congress of Delegates of Ho Chi Minh City's Vietnam War Veterans Association [VWVA] was held at the Unification Palace, where our people's sacred anti-U.S. war for national salvation came to a triumphant close 17 years ago.

Attending the congress were veteran revolutionaries including General Vo Nguyen Giap, Tran Nam Trung, Duong Quang Dong, Phan Van Dang, and Professor Tran Van Giau. Also present were party and state leaders including Vo Tran Chi, Political Bureau member of the Communist Party of Vietnam [CPV] Central Committee and secretary of Ho Chi Minh City's Party Committee; Nguyen Huu Tho, vice chairman of the Council of State and chairman of the Vietnam Fatherland Front Committee; Le Khac Binh, chairman of Ho Chi Minh City's People's Council; Vo Viet Thanh, vice chairman of Ho Chi Minh City's People's Committee; Senior Lieutenant General Song Hao, VWVA president; Lieutenant General Bui Thanh Van, commander of the 7th Military Region; Lieutenant General Nguyen De, commander of the 9th Military Region; and many other leaders of the various branches, services, precincts, and districts of Ho Chi Minh City.

Before the congress opened, delegates paid a floral tribute at the Monument to Uncle Ho and visited the city's War Martyrs Cemetery.

Comrade Nguyen Van Linh, adviser to the CPV Central Committee, who was unable to attend because of a previous engagement, sent a congratulatory letter to the congress. The letter said, among other things: "Comrades, you are people who had, for decades on end, devoted almost all your lives to struggling self-denyingly for national liberation and defense. It is thanks to your meritorious services that Vietnam has become what it is today. You, comrades, are the pride of our nation."

Senior Lieutenant General Tran Van Tra, president of Ho Chi Minh City's VWVA, read its Provisional Executive Committee's political report. He clearly pointed

out: The ranks of war veterans living in Ho Chi Minh City are a microcosm of the people's armed forces for national liberation. Some of these veterans had engaged in revolutionary activities before 1945, some others had joined the March-to-the-South groups of fighters in the early months of the anti-French war of resistance. They were cadres and combatants of the revolutionary armed units in the Saigon-Cho Lon-Gia Dinh Zone, of the local units, the City's action sections, and the sappers and commando units that fought in various theaters of operations and on Saigon streets, and that ultimately made an important contribution to the liberation of Saigon and the unification of the country.

The past and present have constantly reminded the war veterans in Ho Chi Minh City to bring into full play forever the traditional character of Uncle Ho's soldiers. Under the leadership of the party committee echelons, the VWVA's of the various precincts, districts, and basic units have acted in coordination with the mass organizations and have actively participated in four major movements of Ho Chi Minh City, in particular the movement against corruption, which is linked to the building and consolidation of basic party organizations. The comrades war veterans have also contributed to inculcating the younger generation with revolutionary ideals by telling them stories about the nation's and Army's traditions. Many precinct, district, subward, and village veterans organizations have established strong ties with the military and have actively participated in developing and training militia, self-defense, and reserve forces. Although the war veterans movement in Ho Chi Minh City still has some limitations, shortcomings, and weaknesses, it has recorded respectable and encouraging initial achievements.

The report set forth the major orientation, duties, and tasks of Ho Chi Minh City's VWVA for its 1992-1996 tenure. The city's VWVA must be a firm and strong people's organization with hundreds of thousands of members who are closely attached to the people, united, and disciplined, and who struggle for the lofty goals of socialism, which the war veterans have striven to attain by making sacrifices all their lives, and for successful implementation of the seventh party congress Resolution and Resolution 5 of Ho Chi Minh City's party organization congress. "Our party and people are firmly resolved to follow the socialist path, the path that President Ho Chi Minh, our party, and our people have chosen, the only path that is correct."

Speaking at the congress, Vo Tran Chi, secretary of Ho Chi Minh City's party committee, highly valued the role of war veterans in the struggle for national liberation and in national construction. With their lives, their firmly-held ideals, their pure virtues, and their time-tested experience, these war veterans are really a precious asset of the country and an example for new combatants and the younger generations to emulate (see extracts from Comrade Vo Tran Chi's address published in today's issue of SAIGON GIAI PHONG).

Comrades Nguyen Huu Tho, General Vo Nguyen Giap, Senior Lieutenant General Song Hao, and Lieutenant General Bui Thanh Van cordially addressed the congress, expressing their hope that the war veterans would continue to develop the fine tradition of Uncle Ho's soldiers.

The congress elected 29 comrades to the first Executive Committee of Ho Chi Minh City's VWVA and appointed nine delegates to the First VWVA Congress.

Official Comments on Veterans Association

922E0160B Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 29 Apr 92 p 2

[Article by Ta Minh Kham, president of Vietnam War Veterans Association in 3d Precinct, Ho Chi Minh City]

[Text] The Vietnam War Veterans Association (VWVA) was not born until 15 years and more after national reunification. It came into being at a time when the world situation was changing in a very complicated manner. The socialist system in East Europe collapsed, the Soviet Union disintegrated, and the CPSU was disbanded and banned from operating. The United States waged the Gulf War and schemed to control the whole world.

In the country, since the sixth party congress, the situation has improved considerably, particularly in the field of economic renovation. But, opportunist, corrupt, protection-peddling, and negative elements have hurt our party's prestige and bred contempt for law and order.

The war veterans in Ho Chi Minh City in general and in the 3d Precinct in particular include former cadres and combatants of all armed branches and services and from all parts of the country. They are people who were tested in combat, lived in hardships and deprivations, and were protected and assisted by the people.

Today, after leaving the Army and returning to civilian life because of old age, many war veterans have continued to engage in mass proselytizing and to participate in public activities. Although their work sounds easy, it does have both advantages and difficulties.

After two years of operations in the 3d Precinct, we have identified the following advantages:

- The war veterans enjoy the warm support of all party committee echelons and organs, which take care of all their activities.
- With regard to the people, the war veterans' correct voice does carry weight. Many veterans sit on local party committees.
- The majority of war veterans are poor but honest; living in difficulties, they have still managed to preserve their character of Uncle Ho's soldiers. In past fighting, if a courageous cadre constituted an unspoken order for

combatants to follow, then, today, living a pure life also is an unspoken order for war veterans to execute.

However, war veterans-related work also face the following difficulties:

- When addressing the younger generation, some comrades who are old and experienced in revolutionary work always insist that they are right in everything. When making suggestions to the administration or in dealing with the party, they only want others to listen to their ideas.

- Having only newspapers and the radio as their main sources of news, retired cadres in general are thirsty for information. Therefore, when they receive some information from "unofficial channels" by word of mouth, a few comrades pass it on to others, repeating even those pieces of news that are detrimental to the leadership and guidance, thereby providing ammunition for opportunists and saboteurs to attack our party and administration.

To enable the VWVA to operate well, to build up its prestige among the people, and to fulfill its duties, so as not to disappoint the party and administration at various levels in the localities where they operate, let us work together to the best of our ability to overcome the shortcomings and stay united with the people and the various mass organizations in the Vietnam Fatherland Front.

Essay on Genuine Democracy

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[Essay by Researcher Khong Doan Hoi: "Democracy Means That the People Are Truly the Masters"]

[Text] It is speculated that while visiting a school for southern cadres, Uncle Ho asked those present in a conversation:

—Do you know who is the greatest in Vietnam?

They all answered:

—You, yourself.

The uncle told them to sit down and then said: You people are so feudalist. Let me read this for you: Democratic Republic of Vietnam. Now, who is the master here? As democracy means that the people are the masters, you and me are only the people's public servants.

Faced with the collapse of the world socialist system, this seemingly simplistic and plain truism has emerged as a target for analysis from various sides—including theorists, capitalist propaganda apparatus, and even communists in the world and in our country. There have been not inconsiderable conflicting theses, including those that have praised the democracy in capitalist countries

so effusely as if it were a golden pattern to be followed by the process of democratization in our country.

This is coupled with attempts to ridicule and decry the reality of the democratic life in our own country and to negate those democratic gains scored by our people after a long struggle full of sacrifices and hardship.

The issue has become more complicated due to the fact that in the very capitalist regimes, social democracy, which is, in fact, bourgeois dictatorship, continues to make progress and score achievements that make people in developed capitalist countries, though they are exploited in a more sophisticated fashion, still feel that there is democracy, freedom, and equality.

To clarify this issue, a meticulous analysis is necessary. There are two points which we cannot ignore:

First, we should not understand democracy as something coming from out of the blue and should instead base our conception on the actual conditions of each country. From this perspective, we find that socialist democracy, even in its longest-reigning area, is merely 70 years old as compared to the capitalist democracy which has been in place for over 200 years now.

Bourgeois democracy has come into life and developed in highly-developed industrial countries while socialist democracy has arisen from among those countries with a much lower level of economic development, even worse, from among those backward and small agriculture-based countries like Vietnam. Poor economic and cultural development, a liberal lifestyle, and a low intellectual standard are factors that have led to undemocratic acts. While capitalist democratic countries which have had behind them hundreds of years in peaceful development and which have never been exposed to any threats, socialist countries have been under a constant state of military and economic blockade and threats of domination and war by the imperialists. These pressuring forces are objective causes that have contributed to prolonging the state's system of centralism and the party's tendency to do the works which rightfully belong to others. All these are merely suitable to the wartime situation.

However, even under those tough, objective conditions, our people, despite their existing weaknesses, have scored many remarkable democratic achievements which can hardly be seen in other areas. For instance, the right to an equitable general suffrage has been respected. There has been no violence, vote-buying, cajolery, or fraud during any elections as commonly seen in many areas of the bourgeois society. All citizens have the right to participate in law making. In various organs of powers at all levels, laboring people and popular intellectuals have made up a large number. This is totally absent in many capitalist democratic countries.

Second, to correctly conceive whether or not democracy is genuine, it is necessary to look squarely at the essence of democracy to see what it really means.

Democracy means that the people are the masters. In today's world, there are so many democratic states. Even in Article 2 of France's 4 October 1958 Constitution it notes that the French Government is a government from the people, by the people, and for the people.

Since time immemorial, the democratic concept has been understood as a linkage with the people's mastery. But could the people under all democratic regimes practically exercise their mastery?

There are many ways to conceive democracy. But the essence of a genuine democratic system lies in citizens' mastery in participating in the management of the state in all aspects. In other words, the supreme powers are rested with the people. This means that the majority of the laboring people previously under oppression and exploitation will be transformed into those practically participating in the management of the state. This also means that on the one hand, the people should directly occupy those products regarded as the means for maintaining and developing production. On the other hand, they should directly occupy those products regarded as the means for subsisting and enjoyment. Without these conditions, it would be daydreaming to talk about the people exercising their mastery over the country.

It is ironical to speak about genuine equality at a time when society is still fraught with people who are living off the labor of others. We cannot find the people's mastery in a social system where the richest—like those in the United States—accounting for only one percent of the population, possess a wealth constituting 36 percent of the total national assets or where the richest—like those in the FRG—accounting for only 1.7 percent of the population, control three-fourths of the country's total assets.

Only by viewing a genuinely democratic system that way can we see the fundamentals of those genuinely democratic achievements gained by our people. Our drawback is that due to a lack of experience, time, and knowledge, our economic and political rights have not been institutionalized by laws corresponding with these fundamentals. And there might be a failure on our part to exercise our existing rights fully and scrupulously, thus preventing the people from regaining their right to make decisions.

What makes the people rightfully indignant is the fact that due to poor state management, a significant part of the people's property has fallen into the hands of a number of influential and powerful yet degraded individuals who trample upon the people's right of mastership. Certain countries could have more perfected means, a higher level of cultural background, and more sophisticated political dexterities. However, no democratic system other than ours has the groundwork for securing the people's genuine right of mastership. For the laboring people, democracy is still limited unless there is a material basis to support people's power.

In the course of history, the bourgeois democratic system has effected significant progress by shifting from a king-oriented to a people-oriented regime. Yet that progress was made on the sole condition that no one could neither encroach upon the bourgeoisie's wealth nor undermine its dominant position. The relativity and limitations of the bourgeois democratic system bear their imprint on all aspects of social life. The dynamic atmosphere of the election campaigns in the capitalist countries is nothing but a power struggle among different political parties. It does not bear a democratic nature or aim to serve the people's rights.

The U.S. election mechanism is a modern product known for its accuracy and sophistication. The statement that people are born free and equal was made a very long time ago in America. Yet why is it that it was not until 1920 that American women began to exert the right to vote? Likewise, why is it that women in the United Kingdom, Switzerland, and New Zealand did not gain equal rights between themselves and men until 1928, 1971, and 1983, respectively? Why is it that under some articles of the law on elections, people may not stand in elections unless they own property? Why is it that one person may have only one vote, whereas another may have as many as two or three votes?

Much remains to be said about this issue. The conclusion one may draw is that many democratic regimes and many forms of democratic rights exist, but no democratic regime or form of democracy can guarantee that the highest power belongs to the people if that regime still creates conditions for a small group of citizens to exploit the vast majority of the masses.

Editorial Cites Lenin Thoughts as Main Force

922E0156b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 22 Apr 92 p 2

[Editorial: "Lenin Thoughts Still Are Our Source of Strength"]

[Text] Today, together with revolutionaries and progressive people living and struggling under different circumstances throughout the world, the city bearing the name of President Ho Chi Minh and the rest of Vietnam sincerely recall the memory of the great revolutionary leader Vladimir Ilyich Lenin on the occasion of his 122d birthday.

We recall with deep emotion the moment when President Ho Chi Minh exclaimed after reading Lenin's Thesis on the National and Colonial Questions: "Persecuted and suffering compatriots! This is what we need, this is the path to our liberation." Ho Chi Minh defined and summed up the path that led the Vietnamese nation to Lenin: "It was patriotism, not yet Communism, that led me to have confidence in Lenin, in the Third International." Obviously, Leninism met the demands of an oppressed nation looking for the path to liberation and national salvation. In the process of practical struggle, Vietnamese revolutionaries came into contact

with all the scientific thoughts of Lenin and found in Leninism the path to the liberation of their class, the liberation of society, and the liberation of man. That Leninism has rooted and flourished in Vietnam is a necessity of the era.

Throughout the 20th century, counterrevolutionary forces have never stopped attacking Leninism and Marxism-Leninism in an attempt to destroy this great revolutionary doctrine in both theory and practice. In recent years, in the wake of the collapse of a model of socialism, theoreticians of all stripes and colors, from anticommunist extremists and betrayers of the revolution to opportunist elements are vying with one another to blame Marxism-Leninism for all kinds of "wrongdoings." Knowing all too well the enormous strength of Leninism, they have worked even more feverishly to seek all means, including the most uncultured tricks, to destroy the vitality of Leninism. However, all revolutionary developments in the world today, no matter how tortuous their course may be, still prove that the truth of Lenin is imperishable.

Opportunists of all stripes have regarded distorting Leninism as their primary trick. The more radical a revolution is, the louder they scream that Leninism is dogmatic. This attitude reflects their terror in the face of the counterrevolutionary forces. On the other hand, they worry about the development of Leninism in reality, because the triumph of Leninism means the burial of opportunism.

In the revolutionary ranks, not a few people, because of their failure to fully grasp the quintessence of Leninism, have made the error of being dogmatic in the process of accepting and applying Leninism. The mistakes and losses that have occurred were totally alien to the revolutionary and scientific thoughts of Lenin, Marx, and Engels.

In recent years, the revolution in our country has made mistakes, even serious ones. Theoretically and ideologically speaking, those mistakes were due to the fact that we were not fully impregnated with the quintessential values of Leninism and the thoughts of Ho Chi Minh, who correctly applied Marxism-Leninism to the reality of Vietnam. Our party has recognized and is rectifying those mistakes in conjunction with bringing into full play the great revolutionary achievements recorded by our people and nation under the party leadership. With its real achievements, the socialist-oriented renovation line set forth by the sixth party congress and affirmed and developed by the seventh party congress, symbolizes our loyalty to and creative application of the revolutionary thoughts of Lenin.

Firmly holding the banners of national independence and socialism and resolutely and successfully carrying out renovation—that is a demonstration of the reverent memory of Lenin cherished by the Vietnamese communists and people; it also constitutes a scientific assessment of as well as a scientific faith in Leninism.

MILITARY

Ha Nam Ninh Combines National Defense With Security

922E0147a Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Mar 92 pp 55-58

[Article by Bui Xuan Son, member of the Communist Party of Vietnam Central Committee and secretary of Ha Nam Ninh Provincial Party Committee: "Combining National Defense With Security in a Provincial Area"]

[Text] In the new stage of the revolution, the party organization, administration, and people of Ha Nam Ninh have clearly determined that the defense-security strength and fatherland-protection strength are an aggregate strength. Therefore, the country and all localities must be strengthened economically, politically, militarily, culturally, and socially. At the same time, we must know how to actively combine these aspects in conformity with the renovation line of the sixth and seventh party congresses and the local situation and characteristics. Realities in our country as a whole and in Ha Nam Ninh in particular have proven that an increasingly developed socioeconomic system and a steadily improved material and spiritual life of the people are the conditions for firmly maintaining political stability, ensuring social security and safety, and consolidating national defense. Conversely, strong national defense and firmly maintained social security and order are the conditions for developing the national and local economies.

In the fields of national defense and security, we realize that these two aspects, already firmly linked to each other in the past struggles for national liberation, are now attached to each other much more closely in the conditions of defending the fatherland being identified with defending socialism. Nowadays, in the task of national defense, we must always stand ready to oppose both the enemies from within and from without simultaneously as a result of their natural collusion. It is precisely for this reason that the party organization and administration of Ha Nam Ninh have paid due attention to—and have closely and uniformly combined—the tasks of national defense and security in building and defending their locality.

To fulfill the tasks of consolidating and building national defense and security and closely combining these two important domains, it is of primary importance that the party committee echelons, administrations, and defense and security staff organs in various localities must satisfactorily implement the mechanism of the party providing leadership, the administration taking care of management, military commanders and organs serving as the staff and assuming the unified command of all subordinate armed forces, and the public security service acting as the staff and the activist force in opposing the enemy's scheme to foster subversive rebellions. They must also

bring into full play the people's right to collective mastery through the people's councils and mass organizations. To permit an effective implementation of this mechanism, we have attached importance to both consolidating and enhancing the quality of the local party and administration organizations and military and public security agencies. A provincial military party committee has been set up and cadre affairs sections established in various districts, towns, and cities. Fully equipped with a regular staff of high quality, these organs have begun to operate on a regular basis, bringing their leadership and guidance into full play in implementing the task of consolidating and building national defense and safeguarding public order and security in their localities, thereby preventing the state in which a national defense and security leadership apparatus is established only to meet structural requirements but fails to fulfill their set functions.

Over the past several years, along with expanding and implementing its national defense tasks such as putting into effect the policies of making strategic readjustments, building strong provincial and district defense zones.... Ha Nam Ninh has done a good job of carrying out its local defense and security tasks; firmly maintaining political stability; protecting the local party and administration organizations, the people's right to mastery and their lives and property; struggling to frustrate all schemes and acts of sabotage of reactionary forces and opportunist elements; and purifying and strengthening their localities in both national defense and security.

Thoroughly imbued with the party's viewpoint that the revolution is a cause of the masses, Ha Nam Ninh has always determined that implementation of both national defense and security tasks must rely on the aggregate strength of the people and the entire political system. To this end, the party committee echelons and administration of Ha Nam Ninh Province have constantly created all necessary conditions for bringing into full play the people's right to mastery in the fields of politics, socio-economy, national defense, security.... Except for some matters in which secrecy must be maintained, almost all local and grass-roots defense and security policies and measures are publicized for the people to know, to discuss, to implement, and to control. Thanks to this, the province's national defense and security tasks have always been consolidated and developed in accordance with the sense of responsibility of all the people.

In Ha Nam Ninh, the national defense and security tasks are closely linked to one another for the reason that **both the all-people national defense disposition and the people's security disposition are given due attention and built and developed in all localities of the province, with efforts being concentrated first of all on vitally important areas and the coast.**

Ha Nam Ninh's national defense and security dispositions were established several years ago and have been constantly developed. During the past few years, especially since the adoption of the party's strategic readjustment policy concerning the national defense task—

which determined that provinces and districts must be developed into strong defense zones to build and defend the fatherland and to defend localities—this task has received even greater attention and stricter guidance from the party committee echelons and administration. In 1990, we mapped out and adopted defense and security disposition plans for the provincial and district levels. In 1991, these plans were vigorously implemented at the grass-roots level: villages, wards, state agencies, enterprises.... In guiding the building of national defense and security dispositions, we have paid attention to all areas, but have concentrated our efforts first of all on vitally important areas and the coast. Ha Nam Ninh has a coastline nearly 90 km long. This area, inhabited by a large number of Catholics and enjoying a developed economy, is important in both the economic and national defense and security fields. In the past anti-French and anti-U.S. wars of resistance, all the coastal districts were the scenes of fierce struggle between us and the enemies. At the current stage, this coastal area, now serving as a gateway to the Bac Bo delta, is a place which attracts the enemy's attention and through which he wants to infiltrate to carry out sabotage activities in Ha Nam Ninh Province and deeper inland. Therefore, consolidating the coastal national defense and dispositions is a very important orientation of Ha Nam Ninh. The entire coastal strip of Ha Nam Ninh was and is being organized and developed into a system of interconnected villages or clusters of villages that are stable and strong in terms of national defense, security, and public order and safety. The provincial and district defense zone exercises, the village combat and security drills, and the implementation of Council of Ministers Directive 135 carried out from the provincial down to the grass-roots level between 1990 and 1991 yielded a great deal of valuable experience and, at the same time, affirmed the development in the right direction of the national defense and security dispositions at the provincial and district levels as well as the grass-roots level. Owing to the constant strengthening of these national defense and security dispositions, during the past few years not only no illegal emigration or infiltration took place along Ha Nam Ninh's coast but many foreign fishing boats unlawfully intruding into the local sea area were promptly discovered and detained.

Along with these activities, to satisfactory combine national defense with security, Ha Nam Ninh has **paid attention simultaneously to building local defense and security forces and promoting close cooperation between these two forces** so that they may serve as the activists to help the people carry out their national defense and security tasks with high efficiency. This effort has been most evident in the fact that, to date, 513 strong mobile militia and self-defense detachments have been built throughout the province, and that about 50% of these units are operating efficiently. Members of these forces are selected most carefully as far as their political quality is concerned and are strictly trained and managed. With village and ward military unit commanders serving as their platoon leaders, village and ward public security

heads as their deputy platoon leaders, and party committee secretaries as their political officers, in peacetime the detachments have the tasks of combining productive labor with patrolling and guard duties, protecting economic activities and the people's property, and acting as an assault force in natural calamity control and prevention. When there is trouble, they will serve as in-place combat forces to defend their hamlets, streets, and wards.

As part of Ha Na Ninh's current efforts in building national defense forces in conjunction with safeguarding security, we must also mention its organization and building of the mobilization-ready reserve forces at the grass-roots level. These forces are being reexamined and reorganized into units to serve "as regular army units" in their localities. With the current number of officers, noncommissioned officers, and enlisted men in their localities serving as the sources of their reserve troops, villages and districts can organize compact units on an appropriate scale to facilitate management and training and to permit quick mobilization and a timely response to various situations such as rebellions and enemy invasions.

The people's public security forces, working together with the national defense forces, the various services in the internal affairs bloc, and the people, have strictly managed persons released from reeducation camps and those undergoing on-the-spot reeducation, and have promptly suppressed sabotage attempts by bad elements. As results of the drives launched to implement Council of Ministers Directive 135, Ha Nam Ninh has captured many criminals, has checked the criminal acts of some persons incited to illegally occupy state agencies' premises, and has dealt with a fairly large number of cases of negativism in some services such as trade, banking, food supply.... The masses have settled by themselves numerous cases having the nature of land disputes, contradictions among the people.... These activities have contributed to strengthening the people's confidence in the leadership of the local party and administration organizations. At the same time, they also have enabled the masses to clearly realize their own responsibility for social management, for the maintenance of public order and security, and for the restoration of order and discipline from the provincial down to the grass-roots level.

However, in carrying out its national defense and security tasks, Ha Nam Ninh has still shown weaknesses and many problems that it must continue to resolve. In some localities, because of their failure to attach importance to constantly linking the economy to national defense and security, the party committee echelon and administration in some place and at some times have not been on the alert against exercise vigilance against the enemy's scheme of peaceful evolution. Some persons have taken advantage of democracy to attack the party's internal ranks and sling mud at party cadres and members but have not been sternly, judiciously, and promptly dealt with. In some establishments, the militia and self-defense forces have not yet operated strongly enough.

Public order and security remains a concern to everybody. The struggle against corruption, smuggling, and counterfeiting has not been waged constantly and its efficiency has been low. The land dispute phenomenon remains an acute problem in the rural areas.... We are convinced that, under the leadership and guidance of the party committee echelons and administration, and with the local military organs, public security forces, and various branches and services serving as an effective staff, coupled with the high sense of responsibility shown by the armed forces and people in the province, Ha Nam Ninh will be able to gradually overcome its current difficulties and steadily develop the movement to consolidate and build national defense and security in its localities.

Development, Exercises of Ward Military Units

922E0147b Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Mar 92 pp 66-71

[Article Colonel Luong Van Thu: "Through Military Cadre Training and Experimental Exercises in Nghia Loi Village—Reflections on Current Village and Ward Development and Exercises"]

[Text] Correctly appreciating the important position of the grass roots in the cause of national construction and defense, over the past years Ha Nam Ninh has constantly paid attention to developing villages and wards into firm battle dispositions in defense zones, considering this an important task in the building of district and provincial defense zones. The party organization of Ha Nam Ninh has determined its specific policy, tasks, and plan for now until 1992 to be the following: In 1991, each district will guide the development of one pilot village with firm and strong national defense and security dispositions; by the end of 1991, exercises will be held to check on the results of this work and draw experience therefrom; in 1992, the pilot villages will be multiplied in the entire province.

To implement this policy and at the same time to achieve unity of views and enhance the military knowledge and skills of cadres, particularly grass-roots cadres, thus creating favorable conditions for them to fulfill their duties in accordance with their functions in both peacetime and wartime, recently Ha Nam Ninh organized a training session for cadres and conducted experimental exercises in combat activities and maintenance of public order and security in Nghia Loi village, Nghia Hung District. The comrades secretary of the provincial Party Committee and chairman of the provincial People's Committee guided the training session and the exercises. The comrade secretary of Nghia Hung District Party Committee served as chairman of the Committee for Guidance of Nghia Loi Village Exercises.

1. Cadre Training

The composition of the training class included district and city military commanders and staff cadres as well as the party committee secretaries, people's committee

chairmen, and military cadres of the pilot villages and wards of various districts and cities (each district and city selected one pilot village or ward). The party committee secretaries of various districts and cities in the province participated in the exercises only.

The training subjects included: duties of and order of actions by party committee secretaries, people's committee chairmen, military commanders, and heads of sections and mass organizations of villages and wards when the state of combat readiness is shifted from one level to the next; formulation of plans for combat activities and the maintenance of public order and security by military commanders; formulation of leadership plans for combat activities and the maintenance of public order and security by village party committee secretaries; formulation of guidance and management plans for combat activities and the maintenance of public order and security by village people's committee chairmen; content of plans for party and political work in combat activities and the maintenance of public order and security; methods of conducting combat activities and maintaining public order and security; and the task of ensuring communications and liaison, army engineers services (military constructions and barricades), chemical weapons prevention and control, military intelligence, reconnaissance, and air defense.

2. Holding Experimental Exercises

Ha Nam Ninh selected Nghia Loi as its first village in which to conduct experimental exercises for several reasons. Nghia Loi is a coastal village marked by characteristics that are fairly typical of Ha Nam Ninh's rural areas. It has an area of six square kilometers and a population of 5,700, 47% of them Catholics. In several hamlets, all the residents are Catholics.

Nghia Loi also occupies an important position in terms of national defense and security in Nghia Hung District and Ha Nam Ninh Province. It is the frontline village in the main defense direction of Nghia Hung District and the starting point of provincial Route 55, which links the coast to Nam Dinh city and serves as an important road for the movement of reinforcements to the entire coastal region of Ha Nam Ninh in case of hostilities.

Nghia Loi also is a fairly comprehensively developed village of Nghia Hung District in particular and Ha Nam Ninh Province as a whole. Its economy has developed steadily, its population's living standards are stable and gradually improving. Its paddy yield is 85 quintals per hectare and its average annual grain distribution is 580 kg per capita. The village regularly keeps two tonnes of grain in reserve as a precaution against all contingencies. The local cultural and social services have also developed step by step. Nghia Loi boasts a spacious two-story cultural house and a constantly consolidated system of schools and dispensaries that serve the populace fairly well. Family planning has been satisfactorily carried out, resulting in a population growth rate of 1.5%. Wedding ceremonies and funerals are now organized simply and

economically in accordance with the new cultural life.... Nghia Loi has vigorously pressed forward with its national defense and security tasks and has emerged for several years in a row as a Determined-To-Win Unit and the standard bearer of Nghia Hung District in the movement for the protection of national security. The village's militia forces have appropriate troop strength and are of good quality. Its reserve troop registration and management procedures are regularly enforced. Its troop recruitment, which is done openly, equitably, democratically, and in strict accordance with the law, and the number of recruits have often exceeded the annual target by 5% to 10%—even by 50% in one year. Nghia Loi has mobilized people to grow bamboos and rattans around the village and its hamlets and along its two-km coastline (between defense works and combat positions). This is aimed at both achieving economic benefits and shaping interconnected combat clusters and a firm defense system against enemy attacks from the sea in case of hostilities.

The exercises were divided into two stages: the leadership mechanism exercise stage (held in Nghia Loi village's meeting hall) and the troop exercise stage (held on real terrain of the village).

The stage of leadership mechanism exercise:

After orders to shift the level of combat readiness were received, the operation of the leadership mechanism—materialized by the activities of the military commander, the party committee secretary, the people's committee chairman, and the heads of various branches—was reflected fairly clearly in the meetings held to discuss measures to lead and guide the implementation of the tasks of each echelon standing combat ready. Most noticeable were the reports by the military commander and public security chief supplementing the plan for combat activities and the maintenance of public order and security. Next, the comrade village people's committee chairman assigned additional tasks to various branches, acted as the principal coordinator of various forces' activities, and dealt with a number of hypothetical rebellions and enemy attacks on the village, which were deeply, thoroughly, and clearly discussed.

The stage of troop exercise:

This stage involved the practice of mobilizing a company of the village's forces to supplement a battalion of the district's local forces, and the village's armed forces engaging the enemy to defend the village. In the practice of fighting to defend the village, a number of scenarios were applied, such as: engaging enemy forces attacking the village; clinging to one's positions in crisscross battles against the enemy inside the village; and moving one's forces and launching counterattacks to annihilate the enemy and recapture lost grounds.

A total of five days was devoted to both the cadre training session and the exercises (three days for the training and two days for the exercises).

The cadre training session and experimental exercises in Nghia Loi village can be assessed as successful. Although we are reluctant to affirm that this is a model for leading, guiding, and organizing the implementation of national defense and security tasks at the grass-roots level, it can be regarded, at the very least, as an interesting experience that should be studied and applied.

The success of these training session and exercises consisted in the fact that each person involved in the training and exercises was precisely determined in advance. In reality, the province succeeded in bringing all cadres of the various branches and echelons to the session, thereby getting rid of the notion that military tasks must be left to the military and that other services should only "participate" and "coordinate." The subjects of training were carefully selected to suit the specific tasks of the grass roots. The cadres who attended the training session can now effectively apply their newly gained knowledge to the development of villages and wards and the conduct of combat activities and the maintenance of public order and security. As for the exercises, they were painstakingly prepared, with their themes and scenarios for combat activities defined and implemented relatively in accordance with reality. Despite their large scale and the considerable efforts involved, the exercises were conducted economically and safely.

But the greatest and most overriding success was the fact that the leadership of Ha Nam Ninh had correctly determined the orientation of their efforts, accurately raised the pertinent issues, and refrained from acting in haste and carrying out their tasks indiscriminately. They had devised concrete plans instead, and had implemented them gradually, thoroughly, and steadily. The province has affirmed that the recent training session and exercises were only an initial step in the long process of developing villages and wards into firm battle dispositions within the framework of provincial and district defense zones. However, this was an important initial step that has created the prerequisite for strongly promoting the implementation of this task both in width and in depth to meet both peacetime and wartime requirements.

Through the experimental cadre training and exercises in Nghia Loi, we have discerned some prominent problems that should be studied further in the current development of combat villages and wards and in organizing combat exercises in these localities. These questions are raised here for discussion:

First, in holding combat exercises, should the village and ward echelons practice shifting from one level of combat readiness to another as the provincial and district echelons and main-force troops do?

Reality has shown that in the village and ward combat exercises already conducted, not only Nghia Loi but almost all other localities did shift to all four levels of combat readiness in ascending order. We feel that this

practice has virtually become a model, an accepted norm in exercises. However, many opinions have been voiced against this method on the grounds that the village and ward party, administration, and mass organization apparatuses are compact and light; that the areas involved are small and not populous; and that the cadres who lead, guide, and manage the localities are also those who can directly organize an expeditious, concrete, and accurate implementation of the national defense and security tasks (a characteristic different from that of the upper levels). For this reason, it may not be appropriate for the village level to go through all the four stages of combat readiness and to perform all the procedures and movements one after another as required by the textbooks, as the provincial and district echelons do. It may be more advisable for it to go through only two stages of combat readiness: from permanent combat readiness to total combat readiness (meaning to shift from peacetime to wartime). In such case, the procedures and order of movements to be performed would be similar to those carried out in regular combat exercises. A four-level combat readiness system may be adopted, too, but its application must be adjusted in accordance with the characteristics, positions, and tasks of each specific village within the district defense zone. In regard to the frontline villages and wards (on the border and along the coast) lying in an important direction of a district or city defense zone, the performance of duties following each shift in the level of combat readiness may be done in the same way as it was in the recent exercises. However, the order and purposes of activities should be studied again to make them practical and suitable to the concrete conditions of the grass roots. The practice of holding many meetings but producing little result should be shunned. Concerning the villages in the rear, the shifting of some combat readiness levels—such as, from permanent combat readiness to intensified combat readiness, from intensified combat readiness to high combat readiness...—should be done only for the purpose of keeping the people and armed forces posted so that they may ready themselves, chiefly in the ideological domain. As for action, only a few really essential steps should be taken. Only when combat readiness is shifted to the ultimate level, that is, from high combat readiness to total combat readiness, do leadership, guidance, and task implementation procedures need to be fully enforced.

In the leadership mechanism exercise, key cadres such as party committee secretaries, people's committee chairmen, and military commanders should apply the "memorizing" method when presenting documents and should refrain from using an excessive number of sketches and charts as required by the textbooks, a formalist practice that is inapplicable to the reality of combat. Naturally, important documents such as combat plans, logistic plans... must still be put in black and white. Thus, the total number of 23 documents used in the Nghia Loi exercises (three issued by the party committee echelons, 12 by the administration, and eighth by the military) should be reconsidered and studied to determine whether it was appropriate. A look at the

military documents alone already indicates some hitches. Since the village and ward military commands have no assistants—in some localities, even military commanders have to assume different duties concurrently—it would be very difficult for them to handle such a large number of documents.

Second, When and where does the enemy normally foment rebellions? How should they be dealt with?

First of all, we must affirm that in the current situation, preventing the enemy from inciting people and fomenting disturbances and rebellions is a task of special importance. Perhaps that is why these contingencies were touched upon in varying degrees in almost all exercises conducted at the village and ward levels. However, what needs to be discussed here is when and where they are likely to take place and what measures should be taken to effectively cope with them. The recent exercises have shown that we normally determined that rebellions would occur simultaneously with enemy military attacks on villages, wards, and any place where our political bases are weak and our forces are spread too thin. Is this assumption correct? Yes, it is, but it is not inclusive. Studies have shown that the enemy may cause disturbances and foment rebellions any time—before or during his military attacks on a target area—and anywhere. Even in those places where we are strong and our forces are large, disturbances and rebellions may occur if we are careless and lack close coordination. In particular, in those places where the people are seeking temporary refuge and living conditions and other aspects of life have not yet been stabilized, we must take even greater precautions. Countering disturbances and rebellions is important, but preventing them must be regarded as the principal measure. Once rebellions have broken out, extremely active and clever measures must be adopted to deal with them. The best thing to do would be, on the one hand, to carry out propaganda and educational activities through the War Veterans Association, the Vietnam Women's Union, and the Ho Chi Minh Communist Youth Union... to persuade the people not to allow themselves to be lured and exploited by the enemy. On the other hand, all measures must be used to divide and isolate the enemy and to resolutely suppress and punish reactionary elements and their ringleaders. The use of military measures should be kept to the minimum.

Third, what should be the art of fighting of militia and self-defense forces?

This also was an issue extensively tested during the recent exercises. The part of the exercises devoted to the practice of fighting in defense of villages and wards featured some basic contingencies, including engaging the enemy when he is still at a distance; engaging the enemy during his attacks on a village; clinging to one's position and engaging the enemy in crisscross battles inside a village; and launching counterattacks to recapture lost grounds. Depending on the concrete conditions of each locality, these contingencies were determined and dealt with in a different fashion. However, in regard

to the art of fighting, it should be determined that militia and self-defense forces must have fighting tactics suited to their organizational conditions, equipment, and prepared battle dispositions. The militia and self-defense forces must be thoroughly imbued with the concept of using a small force to defeat a larger one, using ordinary and self-made weapons to overcome the enemy's modern weapons, seizing the enemy's weapons to fight against him, and using the aggregate strength of the all-people, all-sided war to defeat the enemy's war of aggression. Employing many different fighting tactics, the militia and self-defense forces must firmly rely on their prepared battle dispositions to intercept, split up, encircle enemy forces in order to wear them down, to annihilate entire segments of the enemy forces one by one, to wrest back and firmly defend every inch of our territory, and to prevent the enemy from entering our villages. But once the enemy has broken into a village and have seized part or all of our territory, the militia and self-defense forces must resolutely hold the ground, maintain control of the territory, actively take the initiative in engaging enemy forces in crisscross battles to split them up and pin them down, thereby preventing them from spreading out. The militia and self-defense forces must relentlessly attack the enemy frontally, on his flanks, and on his rear, both during the day and at night, to drive him into a passive position, bog him down, and create proper conditions for the main forces to attack and annihilate him. If conditions permit, village mobile militia and self-defense forces can act independently or in coordination with the main forces to counterattack, pursue, and annihilate the enemy. However, they must proceed with caution and make precise decisions. In the Nghia Loi exercises, the village's plan to move a mobile militia company across open rice fields to counterattack and annihilate an enemy company operating with air and artillery support may not have been an appropriate decision.

Fourthly, how should the leadership of the party committee echelons, the command of the military organs, and the management of the administration be perceived?

Past exercises, including the ones held in Nghia Loi, have shown that efforts were normally focused only on promoting the actions of combatants and detachments in various situations, and that little attention was paid to the actions of military commanders, party committee secretaries (and political officers), and the administration. Is it because this question is not important? No, it is not so. The roles of the party leadership and military commanders are a factor that decide victory in the fight against the enemy to firmly defend villages. For this reason, in village and ward combat exercises, this issue question should be carefully studied and rehearsed. In particular, in the conditions of our territory being partly or completely occupied by the enemy, the party committee echelons, the administration, and the military command, must act according to plan and rely on combat bases, underground hideouts... to hold the ground, and lead and guide the people in continuing to

fight and struggle against the enemy as well as to maintain production and ensure the livelihood of the armed forces and people. This is a very important matter that we should continue to study in the new conditions of the people's war for national defense (if it ever breaks out). Along with this task, we should study and creatively apply our abundant and valuable experiences in building and defending villages in the anti-French and anti-U.S. wars of resistance.

Reserve Troops Development in Hai Hau District
922E0147c Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Mar 92 pp 71-76

[Article by Nguyen Son Chung, secretary of Hai Hau District Party Committee: "Building Mobilization-Ready Reserve Regiment in Hai Hau District in Accordance With the New Formula"]

[Text] Hai Hau District of Ha Nam Ninh Province was entrusted by the upper echelons with the task of building an experimental mobilization-ready reserve regiment in accordance with the new formula under which localities fully take charge of the entire process—from organizing, managing, and training both officers and enlisted men and bearing most of the costs of material supplies, to making preparations for efficiently mobilizing reserve units one by one and turning them over to the Army.

After a short period of implementation during which it cautiously proceeded step by step and enjoyed the assistance of upper-level military organs, our district has completed the organization of a mobilization-ready infantry regiment, exercises in mobilizing and training cadres, and the training of some selected units of this regiment to study and accurately evaluate the actual situation and capabilities of Hai Hau in building mobilization-ready units according to the new formula. Thanks to these activities, Hai Hau has gained some experience and has discerned a number of problems that it should concentrate on studying and resolving in order to satisfactorily implement this policy in the years ahead.

1. Organizing and Building the Frame of a Mobilization-Ready Reserve Regiment

One of the new features of the formula for the complete building of a mobilization-ready unit is that localities are charged with organizing, arranging, building, and managing its cadre frame, which is composed of a very small number of Army officers who serve in the district military organ but are concurrently assigned to permanent duty in the frame. The rest of the frame's staff from the detachment to regimental echelon is made up of reserve officers. In peacetime, this mobilization-ready cadre frame works together with the district military organ and various villages, towns, state agencies, and enterprises to manage, train, command, and lead mobilization-ready reserve units in carrying out military tasks and other unscheduled tasks in their localities. In wartime, the cadre contingent of this frame must really

ensure fulfillment of the functions and tasks of organizing and leading combat and combat-support activities.

To build a mobilization-ready regimental cadre frame capable of meeting the aforementioned requirements, we must pay attention to developing the frame both quantitatively and qualitatively. Concerning quantity, it is required that this frame be fully staffed and that an additional number of cadres be kept in reserve to replace those who are overage or unable to respond to mobilization orders because of the acute difficulties facing their families. In regard to quality, it is mandatory that the requirements concerning ranks, former positions, military specialties, leadership ratio, age... be met. In Hai Hau, we are in a position to ensure shaping a fully-staffed regimental cadre frame of good quality thanks to our district's fairly large land area comprising four villages and towns [figure as published], and a Category One mobilization-ready manpower source of more than 20,000 reserve officers, most of whom currently work in various district and village organs. On the basis of a survey of our sources of reserve officers, we have set up a mobilization-ready regimental cadre frame, of which the regimental commander and his five branch chief assistants are active-duty officers serving as permanent cadres of the frame of mobilization-ready units. The remainder of the frame is 100% staffed with reserve officers, plus a number of other officers—equal to 20% of the regular staff—maintained as replacement staff. Regarding quality, 69.8% of the frame officers have been allowed to retain their former positions, while 22.2% have been promoted to one position higher and 7% to two positions higher. All cadres have been classified as Category One reserve officers. Concerning military specialties, 64.5% of the officers have received assignments completely suited to their professional skills and 35.5% have been entrusted with duties that nearly matched their occupations. About 85% of the frame officers are party members and 4.2% youth union members. During their meetings with us, 100% of the reserve officers showed a high sense of responsibility and affirmed their resolve to fulfill their duties.

However, the cadre frame of Hai Hau District's mobilization-ready reserve regiment still has some problems that need to be thought out and resolved. They are the facts that a number of reserve officers have failed to measure up after being promoted to two positions higher, and that there remains a high proportion of reserve officers assigned to duties that just nearly match or do not match their military specialties at all. However, these limitations may be overcome within a few years because there are more favorable conditions for improving the quality of a mobilization-ready unit cadre frame than for improving that of a regular army unit cadre frame. In the current conditions, following the drastic reduction of the regular army troop strength, many young officers who are highly experienced in command, training, and combat have gone back to work in their localities. This constitutes a favorable condition

for localities to improve the cadre frames of their mobilization-ready units quantitatively and qualitatively.

We must also attach importance to and comprehensively improve the training and development of the cadre frames of mobilization-ready units, especially in regard to the training of reserve officers in new subjects designed to enable them to fulfill both their present and future tasks. Concerning training methods, we should closely combine training at provincial military schools with on-the-job training, with on-the-job training considered to be the main effort. The on-the-job training method should be renovated to be suited to trainees who are reserve officers. The cadre training period should not be too long and set far apart from the unit training period. It is best to mobilize cadres for training in essential subjects five to 10 days before unit training begins. This would help facilitate organization, save cadres a lot of travelling, and cut expenses but would still ensure the quality of training.

2. Organizing, Building, and Managing Mobilization-Ready Reserve Units

To fulfill the task of completely building mobilization-ready reserve units and to overcome the shortcomings in organizing, managing, and training mobilization-ready reserve units, we have reorganized the mobilization-ready reserve regiment of Hai Hau District in accordance with the new organizing formula by giving it full troop strength and maintaining an additional force equal to 20% of its troop strength for use as a replacement force. In regard to quality, we have assigned 66.7% of its personnel to duties that completely matched their professional specialties, 26.2% to duties that nearly matched their specialties, and 6.7% to duties that did not match their specialties. Of the regiment's personnel, 25% are party members and 32% youth union members. Concerning age groups, all eligible persons are classified as Category One, Group A reservists, while a small number of specialized service and technical noncommissioned officers are classified as Category One, Group B reservists. *Following the guideline that personnel should be assigned in accordance with their military specialties and that efforts must be made to confine the manpower sources of each mobilization-ready reserve unit in a narrow area to facilitate management and training,* Hai Hau District has used the reservist management lists of various villages, organs, and enterprises as the basis for a reexamination of its manpower sources and has decided that the manpower sources of its mobilization-ready reserve regiment should be limited to 21 of the district's 41 villages and 11 of its organs; that those of each of the regiment's battalions limited to a single cluster of four or five villages; that those of each infantry company limited to a single village; and that those of each specialized and technical detachment limited to two or three adjacent villages. Efforts should be made to assign officers and enlisted men living in the same village to the same unit, but a few officers of specialized and technical armed branches could be assigned to other villages than the ones in which they live. We think that, in view of the

present socioeconomic conditions and the general management mechanism of the localities and grass-roots echelon, this method of organizing mobilization-ready reserve units offers many advantages in management, development, and training as well as in the formulation of measures to ensure efficient operations of mobilization-ready units.

Reality has shown that in regard to management, especially grass-roots management, keeping name lists of reservists and their addresses alone is not enough. There must be comprehensive management of the quantity and quality of reservists, and the management must know each reservist personally and his situation. This can be done satisfactorily only on the basis of an infantry company being organized neatly within the limits of a single village and a company of specialized and technical armed branches within the limits of a few villages. Setting up an infantry company within a single village would create favorable conditions not only for various stages of troop concentration but also for daily official work and production activities of reservists. It would not only enable officers to understand their men and the lower echelons but also make it possible for the soldiers themselves to know each other and understand each other's capability, situation, family's life, and health conditions. Organizing mobilization-ready reserve units within appropriate territorial limits would also help promote the emulation movements between establishments, bring into full play the roles of local party committee echelons, administration, and mass organizations in educating and motivating reserve troops and their families to satisfactorily fulfill their duties. Moreover, such an arrangement would permit a faster concentration of troops whenever this is necessary for training purposes or for fulfilling unscheduled tasks, because it permits a substantial reduction of travelling time over long distances, of expenses, and of the complexity of it all. Each reservist normally spends two days travelling every time he has to report for training. For a company of 100 men, the total amount of time thus wasted would be equal to 200 man-days. If one man-day is worth 3,000-4,000 dong, it would mean a loss of 300,000-400,000 dong. Multiplied by the number of soldiers of a regiment, the losses would be enormous. Recent mobilization of some units for inspection and training has shown that units made up of reservists from a single village were able to call in more troops than those with their manpower sources spread over two or three villages.

Of course, there remain some difficulties that should be resolved in organizing compact mobilization-ready reserve units within the limits of a single village or a single intervillage. In our opinion, those establishments that lack manpower sources—or have sufficient manpower sources but lack specialized military personnel—should not regard setting up mobilization-ready reserve units within a limited territorial area as the only applicable organizing formula. But if the manpower shortage is not serious (about 6-7%), or if the specialized military

personnel that are lacking are not difficult to train, the limited-area formula should be applied. In Hai Hau, we have adhered to the formula of organizing each mobilization-ready reserve unit within the limits of a single locality because our studies and analyses of the quantity and quality of the manpower sources of our villages have shown that the 6-7% specialized military personnel shortfall could be overcome within a short period of time by training and procuring additional reserve troops in the process of unit building.

In regard to training, we recently trained an 82mm mortar company for five days on an experimental basis. The subjects taught included: the current situation; our tasks; the enemy's schemes; and a review of the characteristics, effectiveness, handling, use, and firing methods of the 82mm mortar. Reserve officers in command of the company served as the principal instructors, working in coordination with artillery instructors provided by provincial and district military organs. Post-training inspection showed that of the four mortar crews that underwent training, three were rated good. On the basis of these results, we think that in the immediate future, in the training of mobilization-ready reserve units, especially units of specialized armed branches, we must coordinate with and receive assistance from the provincial and district military organs as far as curriculum, subject, and teaching staff are concerned. In the long run, however, reserve officers in command of mobilization-ready reserve units must take care of the training of their units. This can be done. Naturally, to meet this requirement, reserve officers should be trained in essential subjects, in particular new subjects they have not not studied before they begin training their units.

3. Organizing the Command and Leadership of and Ensuring Logistic Support for Mobilization-Ready Reserve Units

To build mobilization-ready reserve units in accordance with the new formula is to build main-forces units in localities and place them under the charge of these localities. Therefore, along with organization and development work, the localities must also determine a leadership, command, and logistic support mechanism to ensure that mobilization-ready reserve units will be able to operate efficiently.

In organizing the command of a mobilization-ready reserve unit, it is necessary to clearly determine the working procedures of its cadre frame. This is a difficult task because the majority of cadres of all echelons that make up this frame are reserve officers who live and work in villages, cooperatives, and district organs. They regroup only when they are mobilized for training or when their units are called in to carry out unexpected duties in various localities. Therefore, it is very difficult for a unit commander to exchange views with others on the situation and to keep himself posted about developments in his unit. To resolve this problem, we deem it necessary to set forth regulations on holding periodic meetings of the regimental cadre frame. The regimental

command may meet once a month to be informed of the situation; regimental cadres may meet with battalion cadres once every three months; and company cadres may get together once every six month. Unit meetings should be held in conjunction with annual training sessions and exercises. In these meetings, it is important to provide cadres of all levels and reserve troops with timely information about essential topics to keep everybody permanently and closely attached to their units, the Army, and the task of standing ready to defend the fatherland.

Concerning the leadership mechanism, in peacetime, mobilization-ready reserve units should be placed under the direct leadership of the party committee echelons and under the management of the local administrations, with upper-level military organs giving assistance and the military organs at the same level acting as the staffs of these units. Moreover, there should be close coordination between mobilization-ready reserve units and those units that will receive reserve troops in the localities concerned to ensure that reservists can be mobilized expeditiously and fight immediately. Mobilization-ready reserve unit commands must satisfactorily bring into full play their role as the staff of party committee echelons and the administration to permit the exercise of unified leadership over local production units the personnel of which include reservists. Concrete measures should be adopted to ensure favorable conditions for every reservist to fulfill his annual military duties. We may appoint or plan the appointment of party committees in regiments, battalions, and companies, and even party cell leaders in platoons and squads to ensure leadership when reservists are mobilized to carry out local military tasks or to reinforce Army units entrusted with combat duties.

Meeting the operating expenses of and providing material supplies for mobilization-ready reserve units is a problem still fraught with difficulty. Recently, Hai Hau has completed a number of tasks for the purposes of gaining experience and testing its capability to defray the operating costs of mobilization-ready reserve units. The district has found that:

- It costs 4,000 dong to complete the background investigation of a reservist, to make him a regular member of the personnel of a unit, and to make out an appointment card for his assignment. Multiplied by the number of troops—both regular and alternative—of a regiment, the cost would exceed 10 million dong.
- It costs 8,000 dong a day to mobilize a reservist for inspection and troop-strength checking purposes and to make out an appointment card for his assignment. Mobilizing an entire regiment would cost more than 26 million dong.
- It costs 7,000-8,000 dong a day to train a reservist. It would cost 94 million dong to train a regiment for five days, 188 million dong for 10 day....

These are only initial figures resulting from the surveys of just a few aspects of activities of a number of company- and battalion-sized reserve units. However, they already show that, to build a district-level mobilization-ready regiment of good quality would entail huge expenses that neither the defense budget nor the local budget alone could meet. In our opinion, we must be able to mobilize three principal financial sources: the national defense budget, the district budget, and the village or enterprise budget. A rational proportion of contribution by each of these three financial sources should be determined depending on the economic potential of each locality or establishment. As for Hai Hau, we see that the district can meet its own expenses; moreover, it can mobilize its villages and enterprises to make financial contributions. Hai Hau is a delta district that has economic potential. Each year, on the average it produces 120,000-130,000 tonnes of paddy, 60,000-65,000 tonnes of salt, 2,000-2,500 tonnes of salt-water fish, 5,000-5,500 tonnes of pork, and some other products. The district has a gross annual income of 140-150 billion dong. The livelihood of its reserve officers and soldiers is ensured, and these reservists can spend a few days a year doing military duties without significantly affecting the economies and lives of their families. But, it is even more important that we should know how to exploit and make the most effective use of this potential and to mobilize and bring into full play the sense of responsibility and obligation of the local mass organizations and people. With the mechanism of the party leading, the administration managing, and the military organ serving as the staff, Hai Hau as well as other localities will be able to satisfactorily carry out their national defense duties in general and the task of building mobilization-ready forces in particular.

ECONOMIC

Joint Venture Formed for Seaweed Production *92SE0258B Hanoi VIETNAM NEWS in English* 21 May 92 p 1

[Text] A joint venture to grow seaweed and produce agar was opened last week in the port city of Haiphong.

The joint venture, Ha Long-Princo, is the first of its kind in Vietnam. Its partners are the Haiphong Aquatic Products Enterprise and Princo in Vladivostok, Russia. It has a legal capital of \$2.1 million and is able to produce 120 tonnes of agar a year.

Areas have been marked off for seaweed growing in tide pools along Haiphong and Quang Ninh, Nam Ha and Thanh Hoa provinces.

Although up to 729 kinds of seaweed can be found along Vietnam's 3,200 kilometres of coastline, little has been done to turn them to use.

Indonesian Company Involved in Coal Production *92SE0258A Hanoi VIETNAM NEWS in English* 18 May 92 p 1

[Text] An Indonesian company has buckled down to a \$27 million project for coal exploitation and production in Quang Ninh Province northeast of Hanoi.

The company, P.T. Vietmindo Energitama, which works in cooperation with the coal company in Uong Bi district, plans to produce 500,000 tonnes of anthracite a year.

Vietmindo's Operation Director Rahman Abbas told VIETNAM NEWS last Saturday that drilling was being done at some 50 places with Indonesian equipment and by engineers and geologists from Indonesia working in conjunction with Vietnamese technical personnel.

Mr. Abbas said when the work would be completed in 3-4 months, results would be obtained regarding coal reserve and quality, and methods would be proposed for actual exploitation and production.

The project, which was licensed in October last year, is the first undertaken by Indonesia in coal mining in Vietnam.

Its significance caused Indonesian Ambassador J. Juwana to make a personal visit to the site last Tuesday in the company of Mrs. Juwana and several Indonesian officials.

The ambassador said his visit was proof of the Indonesian Government's commitment to assist in the development of Vietnam as declared by President Suharto during his Vietnam visit in 1990.

Mr. Juwana, who was impressed by Uong Bi's potentials also said Indonesian companies should cooperate with the district in other fields like marble mining and tourism.

In fact, Vietmindo has already made samples of local marble, and Operation Director Abbas said a pre-feasibility report would be drawn for introduction to other investors in Indonesia or in Malaysia and Singapore.

Regulations To Protect Car Joint Ventures *92SE0256A Hanoi VIETNAM INVESTMENT* *REVIEW in English 18-24 May 92 p 14*

[Article by Hoang Van Huan]

[Text] Two car manufacturing joint venture enterprises [as printed] are now active in Vietnam, the VMC Hoa Binh and the Mekong joint ventures. In principle, the State of Vietnam allows competition between companies and no monopoly is protected.

However, Dau Ngoc Xuan, Chairman of the State Committee for Cooperation and Investment in a meeting

with Mr Kikio Hirooka, Director of Aircraft and Transport Machinery Division, Nichimen Corporation, Japan, said Vietnam will use macro economic regulations to protect these two joint ventures.

"The Mekong joint venture has had a plan for SKD car assembling at the first stage only. It will proceed to the production of components in Vietnam. So doing, they will avoid importing separate parts and take advantage of cheap labour prices in Vietnam. If the VMC joint venture does not have a plan for component manufacturing in Vietnam, but only pursues the assembling of cars, it is improbable there will be any competition, I am afraid," Mr Xuan stressed.

The Ching Fong Group of Taiwan, having investigated the possibility of subcontracting engineering enterprises of Vietnam, has dropped its initial plan to assemble cars only, concluding that it is best to manufacture components in Vietnam. Engineering plants in Vietnam can meet the requirements of quality and prices the Taiwanese group found.

With such production plans, the Mekong venture, between Sea Young (South Korea), Sacilo Machinery (Japan), the Vietnam Power and Agricultural Machines Company and the Sakyno Company (Ho Chi Minh City) with an investment capital of 36 million US dollars, and the Ching Fong Group, with 100 percent offshore capital of 55 million US dollars, have combined their interests with those of Vietnam, and it is therefore easy for them to get the protection of the Vietnamese Government.

Mr Mikio Hirooka also expressed his hesitation at the fact that Vietnam continues to import cars, creating difficulty to their market. Naturally it is a regulation that any businessman should pay attention to.

But, as it is calculated, in 1992 the joint ventures will only produce 1,000 cars each whereas the annual demand of cars in Vietnam is 20,000 pieces.

With respect to the import of a complete car, 100 percent import tax is levied, while on imported parts, only a 50 percent tax is levied. So these two joint ventures have more potential to earn profits.

Nichimen Corporation has representative offices in Hanoi and Ho Chi Minh City. Nichimen wishes to expand its co-operation with Vietnam in the investment and trade areas. The selection of the Hoa Binh car plant, a unit under the Ministry of Transport, Communications and Post, as its partner in the joint venture with a capital of 33 million US dollars to produce cars for sale in the Vietnamese market has helped create advantageous conditions to the company.

Article Comments on 'Invisible Exports'

922E0150A Ho Chi Minh City THOI BAO KINH TE
SAIGON in Vietnamese 23-29 Apr 92 p 19

[Article by Tran Quang Thinh: "Invisible Exports"]

[Text] I would like to explain to those who are not yet familiar with it that "invisible exports" is a specialized term that is used rather widely in the foreign trade sector to indicate business fields that earn foreign exchange but do not have to export actual goods! For a long time now economists have listed four sectors that participate in "invisible exporting": tourism, maritime transportation, air transportation, and banking. According to estimates and statistics of the state, income from invisible exporting is equivalent to 15 to 16 percent of the income from "visible" exporting. But today, within the framework of this column, the writer wants to deal with an invisible exporting sector that recently has undergone many transformations in the direction of the market and has attained noteworthy initial results: banking.

Recently, an outstanding event drew the attention of businessmen in Vietnam and abroad. During more than five months of implementing Decision 337/HDBT of the Council of Ministers on some measures to manage foreign exchange, "The (Vietnamese) state has concentrated a large amount of foreign exchange to take the initiative in meeting the need for capital to import goods essential to serve production." Before that decision was made, according to statistics the commercial banks were able to purchase only 7 million USD, but after the decision, along with the application of a rational price ratio, the amount of foreign exchange purchased every month has increased five-fold. A specialist observed that the buying, selling, and payment of foreign exchange primarily via banks has begun to bring an end to the round-about buying and selling of foreign exchange and the payments and transfers to one another to take advantage of price disparities, and has restricted the use of large amounts of Vietnamese money to make payments among the economic units.

Recently, during a press conference, the director of a foreign commercial bank in the city made an interesting speech about the past (previous years) and the present (1991 and 1992) of his bank. I think that process can and must be one of many other commercial banks, so the writer requested permission to summarize his remarks. He said:

"It may be said that during the past year or two the Vietnamese banking sector has truly undergone a transformation. Our bank is also making all-out efforts. At one time many Vietnamese and even foreign customers left us. One newspaper wrote that our bank was anathema to the exporters and importers. The procedures for

obtaining letters of credit were very confusing and time-consuming; the use of the foreign currency accounts of the clients was loose; and the prestige of our bank was practically zero in the eyes of world banks vis-a-vis sponsorship. Of course, if those opinions are analyzed carefully, some points are debatable. But the heart of the matter, which raised our eyebrows, was a truth: We had lost the confidence of our customers!

"In order to exist, we decided to renovate all of our business activities, the underlying theme of which, over a period of more than a year, has been to regain the confidence of our customers!

"Specifically, we guarantee that money sent by customers in Vietnam and abroad, whether in Vietnamese money or foreign exchange, will be paid promptly and accurately, as directed by the client. Money sent by customers is a source of capital for the bank's credit activities. But the use of that capital demands an art-like professional management style. In receiving deposited money and guaranteeing the payment of the money to clients, and in using that capital for lending, we came up with an operating rule of a compulsory safety margin in using capital. Not all credit organizations can employ that basic principle correctly.

"In foreign payment relations, an extremely important matter that has permeated our thought and action is that with regard to debts that must be paid for imports or services in the future we have affirmed our responsibility of, along with the customers in Vietnam, guaranteeing full and timely payment to the foreign country, and have decided to break with the way of doing business during the subsidy period.

"During the recent period we have guaranteed payments to foreign countries totalling nearly 1.3 billion USD. The ratio of full, timely payments to foreign countries increased from 40 percent to between 85 and 90 percent. In 1991, the ratio of full, timely payments was 95 percent (the remaining five percent resulted from technical and time problems). In general, we guaranteed the full payment of 100 percent of the debts originating in foreign countries."

The director also cited many examples and deeds, but to conclude with his conclusion, "We are making all-out efforts to operate in the international monetary-credit market in order to attract foreign capital in the form of long-range and medium-range credit, especially in Ho Chi Minh City, in order to contribute to expanding the markets in Vietnam and abroad and mobilize all sources of investment capital in production, with emphasis on production."

It is hoped that all the above-mentioned matters are not restricted to him and his bank, for according to the Ministry of Commerce and Tourism, income from "invisible importing" by the banking sector is considerable. By means of a fee of .5 percent of the invoice price for receiving and making payments for exports and services, it is possible to collect 150 million USD on a

total of 26 billion dollars worth of goods and three billion dollars worth of services. Income from such monetary transactions as accepting deposits for lending, transferring funds, providing credit, and buying, selling, and exchanging foreign exchange, which is entirely dependent on the prestige of the bank and may be compared to fees for receiving payment and making payment for goods and services, is estimated at \$100 million USD.

Thus income from "invisible exports" by banks in the 1991-1995 period will be 250 million USD, and about 35 million USD in 1992.

How to transform such income into reality is a matter for the banks!

SOCIAL

Ways To Resolve Land Dispute Dilemma Suggested

922E0153B Hanoi NHAN DAN CHU NHAT
in Vietnamese 19 Apr 92 p 4

[Article by Tuan Hung: "Land in Cam Ranh—So Much Perplexity"]

[Text] In 1991, those who came to Khanh Hoa and were interested in agriculture, the countryside, and farmers should have been told about the land issue in Cam Ranh. When we worked there with the Provincial CPV [Communist Party of Vietnam] Committee secretary, the vice chairman in charge of the province's agriculture, and members of the Standing Committee of the District People's Committee, we realized the dilemma and feelings of the people involved in it.

The district as a whole presently has nearly 160,000 people living in 22 villages and the town of Ba Ngoi. Its land fund now includes nearly 70,000 hectares of which 14,155 hectares are agricultural land, 3,629 forest land, 13,762 special-use land, and nearly 5,000 unused land. Land here accommodates three kinds of crops: rice, subsidiary food crops (manioc), and industrial crops (sugarcane and tobacco). Crops totally depend on rainwater. Water conservancy projects have received negligible investment. At the sixth party congress, second round, Cam Ranh's economy was still set to move in the direction of agriculture-fishery-forestry-and-handicrafts to raise at any cost the effectiveness of goods production.

In the years from 1981 to 1986, as the product contract mechanism was being carried out, most farmers felt assured and invested in increasing productivity through intensive cultivation (annual rice productivity increased from 3.5 tons to 6 tons per hectare). Dried manioc production was 5 tons/hectare/year. But the product contract momentum was gradually slowed down by continued changes in assigned output and cultivated areas. A number of agricultural production cooperatives performed poorly; as a result, cooperative members found that their standard of living was lower than that of

individual farmers. Ever since the product contract "rule 10" was carried out and the Land Law was born, the fact that the dynamic thinking of farmers now was boosted by a correct policy has created a new motive power in the countryside. A majority of farmers felt encouraged and began to fully use the land potential. Since land became valuable and problems began to appear, some people thought that the renovating efforts actually gave rise to disputes. Was this opinion correct? Since mid-1988 a few scattered cases of claiming ownership of old land had appeared. In the beginning, the claims to ownership occurred in the areas where land was used to grow subsidiary food crops and industrial plants, the yield of which was low, and where local administrations and management boards of cooperatives were weak, showed no concerns, and were subjective; later they gradually appeared in cooperatives in rice-growing areas. The fiercest dispute took place in Cam Thanh Bac Village. The land dispute there occurred in various forms and had been continuing until recently.

The Khanh Hoa Provincial CPV Committee and people's committee acted in time to assume leadership in order to deal with that situation. The provincial people's committee issued a directive to demand timely corrective action in connection with the land dispute in Cam Ranh District and established a work team headed by its vice chairman to be in charge of resolving the dispute. The province suggested many positive solutions aimed at helping Cam Ranh District to directly deal with the matter. It could be said that the Cam Ranh party organization and administration, in the entire year of 1991, concentrated their energy on resolving the land issue. The district's plan, after being approved by the provincial people's committee, was uniformly carried out by the District CPV Committee, people's committee, and people's council, and by all villages, as the key task that they had to fulfill for a long time. The course of action, which was based on actual lessons and positive steps, was focused on the main things that should be done immediately, such as making lists of land and ricefields, drafting plans for land adjustment, retrieving land from landlords and other people, issuing certificates attesting to the right to use land, and making adjustment of land areas among villages. Of 29,000 households 17,161 have so far completed registration of listed land. The villages of Cam Hiep Bac, Cam Hiep Nam, Cam An Bac, and Cam Hai Tay have reached 100 percent of such registration. Other villages have been very slow in completing the registration requirement. The three remaining villages—Cam Phuoc Tay, Cam An Nam, and Cam Hai Dong—have not yet organized registration. Along with this registration, the establishment of a household-based tax registry has been effectively carried out. The drafting of land-adjustment plans by villages and towns encountered many difficulties, with the plans of only two villages—Cam Phuoc Tay and Cam Tan—having been reviewed and approved. The retrieving of land and ricefields from landlords and other people to transfer to cooperatives and to distribute among beneficiaries designated by policies and landless farmers has

been carried out at a quick pace. Decisions have so far been made to retrieve land totaling 104.6 hectares from 13 landlord households in Cam Hoa and Cam Phuc Bac Villages; efforts are being concentrated on resolving the cases of 6 landlord households in Cam Thinh Dong, Cam Phuoc Dong, and Cam Thanh Bac Villages and in the Town of Ba Ngoi, involving a total area of 87 hectares. In addition, the district is completing the files of six households which illegally seized land and built their houses on it in order to force them to give them up. In Cam An Nam Village, a decision has been made to take back almost all of the land in which crops were grown illegally and to give it to the local cooperatives. The latter have used the sum of 180 million dong to pay compensation for all the crops and income of this land prior to taking it over. To issue certificates attesting to the right to use land is the primary goal and requirement of the plans aimed at resolving land disputes. All localities that satisfactorily resolved them have later issued such certificates, with a total of 845 households in just two villages—Cam Tran and Cam Phuoc Tay—having been granted such certificates. Cam Hoa, Cam Thanh Nam, and Cam An Nam Villages are completing the files concerned before issuing them certificates. Procedures have been completed for the adjustment and transfer of cropland among villages, with Cam Hoa Village having transferred 48 hectares of land to Cam Hiep Bac Cooperative for assignment to its members under product contracts. Prior to the transferring of land from Cam Hiep Nam Village to Cam Duc Village and from Cam Thanh Nam to Cam Nghia and Cam Phuc Bac, the district already reached mutual agreement with the villages about areas, plots, locations, and types of ricefield based on existing maps.

A major obstacle that now exists is the fact that as the plans are carried out, some landlords, rich farmers, and other farmer households still deliberately seize land and sell it for gold, which the local administration pretends not to know about just as what has happened in Cam Phuoc Dong and Cam Hoa Villages and the Town of Ba Ngoi. Meanwhile, no adjustment has been made in the cases involving four households being policy beneficiaries in Cam Hoa Village, four households of retirees in Cam Phuoc Dong, and 30 households being policy beneficiaries in Cam Phuc Bac, which all lacked the land they would need for production. And other problems, such as lack of money to pay income compensation and to pay people having land tilled by others, are hampering the efforts to carry out plans. To transfer land among villages must be made on the basis of mutual consent, with reason and affection, and without any effort to achieve perfection. The land to be transferred may be located in a single area, or in two or three areas, or may be transferred again through third villages. As to the land where new gardens have been established and is currently adjusted to maintain balance, it is assigned to and refused by cooperative members, and is the target of repossession by a number of households which used to have land tilled by others. These are outstanding problems that need to be resolved by concentrated efforts so

as to make the land dispute-resolving plans of the province and Cam Ranh District really become part of the locality's everyday life.

Balancing Laws, Wills in Land Disputes

922E0153A Hanoi NHAN DAN CHU NHAT
in Vietnamese 19 Apr 92 pp 4, 14

[Article by Vu Cong Thao: "Country's Law and People's Will"]

[Text] There had been a time when very few people had been truly interested in land. Even farmers who had been living on the land for all their life had remained indifferent and uninterested. They had been uninterested not only in the kinds of land that had been newly opened and then left uncultivated, vacant lots, and bare hills and mountains, but also in the "more valuable" kinds of land, such as land outside urban areas or near major roadways, alluvial land, and so on. However, in the last few years, land became a thorny issue and turned into something having the highest prices; land disputes erupted in all regions and localities, at times getting very serious or remaining latent.

Is this a situation that we should feel happy or worried about? Many people think that we should be happy because without the renovation, Resolution 10, and the new economic policies, the agriculture of our country will remain stagnant, life in society will still revolve around having enough to eat and going hungry, rural areas will remain poor and backward, and it will still be difficult to combine land with labor to produce large quantities of products and commodities. Thanks to the renovating efforts, land in all regions again becomes a kind of special and valuable means of production and lives up to the motto, "An inch of land is an inch of gold." Land never betrays man's trust, and vice versa. As we talk about land, I have a memory that is hard to forget. Last year we visited a water conservancy project in the Go Cong area of saline soil. As our car had just stopped at Vam Giong sluice gate, we saw three farmers who were waiting for us and later made a suggestion: "Since you are state officials, we hope you will tell the provincial and district authorities to give us some compensation in the form of ricefield and garden. We have dug canals and filled with earth and mud as much as 6.5 hectares of land belonging to 19 households, and yet the compensation given to us for such work is minimal. We do not need money yet, but we need land to live on." As we returned to the Tien Giang Water Conservancy Service, I inquired about that suggestion. The officials there told me that the district had been asked to handle the matter, but because the district did not give proper compensation and acted too slowly, the people who lost land on both sides of the canal felt disappointed and said they would sue. The right to own land belongs to all people; the state provides unified management of land and assigns long-term use of land to farmers. The state needs land to carry out water conservancy and other

projects, with the good intention of serving the community as a whole. It should promptly compensate a segment of the population that is using this land for any losses, if it wanted to act in accordance with the people's will and in compliance with the law.

However, people have been worrying about many sources of tension having to do with the land issue. They cannot afford not to worry because the per capita ownership of land, particularly agricultural land, is low and tends to be further reduced, while the population and labor force in rural areas are increasing. Farmers, wherever they may be, do need land for their production. And when Resolution 10 has now become part of the people's life along with the policies of encouraging development of the multicomponent commodity economy and affirms that farmer households are self-ruled economic units, the need for making adjustment and assigning land in a fair and rational manner to provide its users with lasting stability is only very legitimate and objective. We have already got a land law. In the process of the country's switching to a new management mechanism, a number of the law's provisions should have been revised and changed to become more suitable, and mostly there should have been related documents setting practical rules and synchronized land policies and policies having to do with land to closely link the three elements—agriculture, rural areas, and farmers. Had we done so, we could certainly have applied them to the realities of life more smoothly, limited the contradictions that had just appeared in land disputes, and resolved such disputes in a more reasonable, graceful, and peaceful manner. In the last five years, the land relationships were taking place in a rather complicated way. According to an initial nationwide study, the country as a whole had about 6,000 disputes involving administrative boundaries, nearly 200,000 cases of litigation over the right to use land, and in the highlands numerous land disputes between local people and nearly 2 million newcomers from the lowlands who came to build new economic zones and 2 million people who would "descend from the mountains" to benefit from settled farming and settled life. Many localities in many regions have so far achieved peaceful resolution of 70-80 percent of their land dispute cases. And in the time to come, we will be able to learn from many profound lessons of experience.

Early this year, I went to Dinh Hoa District in Bac Thai Province to seek an understanding of the long and bitter land dispute there, in which the local people were claiming "their ancestors' land" and thus making many households from the lowlands and many people of ethnic minority groups now enjoying settled farming and settled life face the risks of losing their land, which they depended on for their living. The province and the district both had to concentrate their efforts upon resolving the dispute. The district chairman worked around the clock to receive the people. He confided in me: "Don't accept the fact that land disputes are an internal matter among farmers and have to do only with economic reasons, and don't handle them as such. The

bad people and reactionaries, "left behind as secret agents," have taken advantage of this opportunity to incite and divide farmers and to sow political and social instability in rural areas. On the part of the district, we have made many mistakes: The land law has not been strictly enforced; the application of Resolution 10 to realities is superficial and far from correct; and the fact that quite a few key cadres in villages and the district abused their authority and got "involved" in land because of personal or local interests has led to adverse reaction and resentment among the people. Our district has been managing land not only poorly but also in a rightist manner and without vigilance. After having correctly assessed the situation, the district's CPV [Communist Party of Vietnam] Committee and People's Committee, along with the sectors in charge, are taking a series of measures aimed at handling all cases and gradually resolving them in a satisfactory manner. We must definitely try to stabilize the socioeconomic situation in this poor highland district."

The land relationships are sensitive ones because they are closely linked with the interests of land users and reflect a traditional custom on the part of the communities, villages, clans, and families, i.e., to feel intimately linked with the feelings and mentality of land users. Consequently, when they tried to resolve the land relationships and to deal peacefully and resolutely with land disputes, many localities wanted to understand thoroughly the roots of the problem, to analyze each and every subject, and to learn about relying on a collective of honest farmers and on land users' self-consciousness. We should not be subjective and simplistic in regard to the land problem, nor resort to imposing and giving orders, and taking administrative measures to handle it. The leadership role of party chapters, the pioneering and example-setting behavior of cadres and party members, and the state's managerial functions to be coordinated with the work of mass organizations at the basic level are all extremely important. When our state resolves all forms of land dispute, it does not advocate going back to historical matters and the past, nor raises the question of

"ancestors' land," but instead relies mainly on the current situation and provisions of current laws to handle irrational and illegal cases in the land relationships.

Farmers everywhere generally are simple-minded and honest, fully trust the party and support it, and comply with all state positions, policies, and laws. But a small segment of them is credulous. They can be easily led by backward and degraded cadres and party members or drawn by bad people in land disputes. The time has come for us to use "the country's law" to deal sternly with those individuals, units, and state organs that have violated the law in giving, delivering, dealing in, ceding, and using land, as well as those who have led others in creating protracted land disputes and instability in the political and social situation of rural areas. We cannot prolong forever the situation of "The king's law loses out to village customs." However, in our efforts to deal with the land relationships, we have learned to exploit the positive side of traditional customs so as to reorganize production and to build the new countryside. As to "village customs," they are not all bad. "Village customs" have a good side: They uphold the nation's noble and fine cultural traditions, the Vietnamese people's lifestyle based on profound affection and lofty devotion. This is also the people's will. Therefore, when we handle land disputes, whether we obtain much or little good result depends on whether we rely on the people and "consider the people the roots." The people are hoping that the state quickly revise and supplement the Land Law, adopt the land policy that ensures land for "direct farming" and "direct settlement" for everybody who needs land, and from there achieve new division of labor, hence, "Everybody should have the occupation he is good at engaging in."

To strike a balance between the country's law and the people's will in resolving the land issue is not only an urgent need in the livelihood of 10 million farmer households but also the decisive factor that affects the economic, social, and political stability in our country's rural areas. Whether the people are prosperous and the country is strong to some extent depends on it.

NTIS
ATTN PROCESS 103
5285 PORT ROYAL RD
SPRINGFIELD VA

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